THE FINANCIAL POST

The Canadian Newspaper for Investors

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BALD, NAKED NECESSITY OF THE PRESENT TIME TO GIVE EMPLOYMENT TO THE CITIZENS OF THIS COUNTRY

General Manager of the Steel Company of Canada Voices Needs of the Time in no Uncertain Words

BUY, WHEN POSSIBLE, CANADIAN GOODS

Convention of Retail Hardware Association of Canada at Hamilton Resolves to Recommend This Policy to the Retailer of the Country in Order to Assist in Creating Employment

AT the convention of the Retail Hardware Association of Ontario, held in Hamilton on Tuesday, Wednesday and Thursday of this week, the position of the Canadian manufacturer as an indicator of the prosperity or otherwise of the country as a whole was placed before the retail merchants in no uncertain terms by many speakers.

Francis H. Whitton, general manager, Steel Company of Canada, Hamilton, struck deeply into the consciousness of his hearers in an address given on the general steel industry. Referring to the appointment of a Canadian Trade Mission and the efforts they were making to bring European purchasers and Canadian manufacturers together, Mr. Whitton passed on to the situation in regard to domestic business:—

"No action has been taken at Ottawa corresponding with that of England in permitting importations into this country by license only, nor have we as yet learned of any similar proposal to the plan of Senator Redfield in the United States with reference to stabilizing of prices," declared Mr. Whitton.

"Ottawa has arranged large orders for rails, track fastenings, locomotives and cars for the several Canadian railways. Large expenditures are contemplated for public works, good roads and similar work, and the question now arises, 'What are both the Canadian manufacturers and wholesale and retail distributors going to do?' Are they going to buy Canadian-made goods, which will employ Canadian labor and keep their money in Canada to further circulate and produce new business, or are they going to continue to import foreign goods and help to give employment to the labor and manufacturing plants of some other country?

Commercial Self Preservation Calls Us

"We can well afford to eliminate any discussion of what has been done in the past, or why. Whatever the cause, the bald, naked necessity of the present to give employment to the citizens of this country and our presently returning soldiers, in short our 'commercial self-preservation' calls on us, without admitting the possibility of any other decision, to buy and handle goods made in this country to the limit of every man's and woman's power, and you, gentlemen, should unreservedly pledge yourselves to this policy during this conference. Place your decision on record and advertise it from one end of this country to the other as an example for others to follow.

"Unemployment, from the manufacturers' and merchants' standpoint, spells 'restricted business.' Restricted business means a higher cost in both the production and distribution of goods and a narrowing or even a disappearing of profit.

"To the employee, no matter what his occupation or station in life, absence of work means that he ceases to earn the wherewithal to feed, clothe and take care of his family, the fundamental purposes for which as head of the family he is responsible. Wages are essential to existence, and the absence of the weekly pay does not take long to produce unrest as it is called, followed by a demand for employment and which we must do everything possible to supply.

Time to Diagnose the Situation

"There may be justification for criticism in regard to dissatisfaction and strikes in time of plenty, but when it comes down to trade conditions as at the present time, caused by no fault of either the employer or employed, it is time for a consultation to diagnose the situation seriously and call on every source of possible assistance to provide a remedy and no one can escape the personal responsibility to play his part to the full. Our fighting men have proved their metal, our generals have led their forces to a successful issue and I say if our Canadian citizens will do their part in the same spirit through the whole ranks of manufacturers, consumers and distributors of Canadian products, the industrial forces, both employers and workmen, will put forth efforts that will result in Canadian commerce taking on life to a degree that will provide employment and build up business prosperity and confidence."

Mr. Whitton dealt with the enormous growth of the steel industry and looks to Canada's future expansion to soon absorb the present productive ability and more. His words in this connection were: "The increased production of steel in Canada as outlined is representative of a great many other goods manufactured in Canada. When the call came to produce we accomplished somewhat marvellous results. More headway was made in four years due to the necessity of war than might have taken place in a much longer period under peace conditions. These industries are an asset to this country and every citizen a shareholder either by direct or indirect interest and you as distributors of the goods together with we manufacturers representing the makers of them, are in reality the board of directors who must devise a means of operating them in the interest of Canada.

"Let us scan the field of our operations.

"Fundamentally our basis is sound. We have a wonderful future before us to develop this great heritage of territory—rich in natural products of the mine, forest and waters—a soil capable of creating a great harvest of wealth—a climate that produces both vigorous crops and manhood—an intelligent, peaceful and contented people.

United Attention and Co-operation Needed

"Our future expansion will soon absorb our present productive ability and a great deal more, **but at the immediate moment there is a temporary halt in our business affairs that calls for our united attention and co-operation of effort to start moving smoothly again."**

The question of prices and probable course of business is paramount in everyone's mind and Mr. Whitton covered the field briefly but thoroughly in this manner: "In regard to volume of business and prices. If there were but the one unit to consider, viz., the 'goods themselves,' it would reasonably be expected that there would be a prompt demand for everything the world has run short of.

"Another basic element, however, enters and largely demands attention, viz., **Price.**

"The immutable law of supply and demand intensified by war conditions has raised the price or lowered the purchasing power of the dollar.

"To-day the world wants goods and lots of them but there is another important factor: **'The scarcity of credit for ordinary commercial purposes'**

Continued on page 4.

WHAT MILAN MISSED

Canadian Exhibits Now at Lyons Not to be Shown at Milan

OTTAWA.—An effort by the Department of Trade and Commerce to extend the influence of the Canadian exhibits at Lyons Fair to the Milan Fair in April has fallen through. The Department offered to provide a booth and transportation for the Canadian exhibits, but only 10 out of 53 exhibitors definitely agreed to accept the offer, so the scheme was abandoned.

RELIEF IN SIGHT FOR THE PACKERS IN NEAR FUTURE

British Ministry of Food Ask For Offers on Stocks on Hand

IMPROVE POSITION

Canada Hitherto Not an Important Factor on British Market, and Prospects There Are Good

The present difficulties that have been facing the packing trade seem likely to be removed. The British Ministry of Food have requested the packers to make offers on such stocks as they have on hand. This has been done, and it is confidently believed that this will result in relieving the packers of their present surplus. The British Ministry of Food evidently feels in a measure under obligation to the Canadian packers, and is taking this method of assisting them. It is generally felt, however, that this is the last assistance to be expected from that source, as the British Ministry of Food will undoubtably buy from now on in the best market offering.

With present accumulations disposed of however the packers are in a much better position to face the changing conditions that must inevitably arise. That this readjustment will be made at some loss to the industry is probable, but the feeling in general that the sooner this period is over, and the losses assumed, the better it will be.

No Depression Felt

There is no feeling of depression prevailing among the trade as it is felt that with restrictions removed, and business more or less returned to normal there is the opportunity in the British market to increase shipments on domestic account to care for any decline in Government business.

As a matter of fact the Canadian packer has not been up to the present a large factor in this, his one large export market. Britain imports annually pork products to the extent of 1,261,082,032 pounds of which Canada supplied only 130,304,000 pounds. In beef, the opportunity is even larger, Canada at present supplying only 29,680,000 pounds of a total importation of 1,077,154,000 pounds. At the present time of course there is in existence an embargo against import into Britain of pork products from any source. The British Ministry of Food is however meeting this week to consider these restrictions, and it is hoped that these will be withdrawn, and the market once again be opened to the trade.

The European Market

It is felt by some of the large packers that there should be a market in France and Belgium for some time to come, but Canada has made no effort to introduce her packing house products on these markets in the past, and it is felt that it would be a large task, and one that would require a considerable outlay. As all this machinery is already in existence on the British market it is felt that efforts can probably be more advantageously devoted to enlarging that field.

As an indication that these conditions do not affect Canada alone but represent a change that is facing the whole industry, the United States Food Adminstration has advised the packers that there will be no further governmental backing of the packers after present contracts lapse. The Food Board is also advising the smaller packers to combine in their efforts to secure export business, as this will not be provided for them by the Government from now on. The larger packing plants have their own plants in England, and consequently are in a good position to look after their own interests.

A BOYCOTT OF ONTARIO BONDS IS SUGGESTED

New York Papers Refer to Discriminatory Fire Insurance Tax

WOULD RETALIATE

Point Has Been Raised in Connection With the Offering of Province of Ontario Bonds in New York

By Special Representative

NEW YORK. — Simultaneously with the offering this week of $1,000,000, Province of Ontario, 4 per cent. gold bonds in the New York market an insidious propaganda has been set up. An attack against the Province of Ontario bonds is made as a retaliation for a "discriminatory tax."

The Journal of Commerce which was one of the organs used for the spread of this propaganda prints the following: "In view of the fact that the Province of Ontario has levied a discriminatory tax upon American fire insurance companies of 2-3 of 1 per cent. in excess of that charged to Canadian and British companies, the point has been raised as to why American fire insurance companies should be expected to take any of the $1,000,000 Province of Ontario 4 per cent. bonds now being offered. In fact it has been suggested that American fire insurance companies decline to purchase any bonds offered by the Province of Ontario or any of its municipalities so long as the discriminatory tax remains in force."

THE FINANCIAL POST correspondent ventures the suggestion that the above paragraph was "inspired." However no authority is quoted and to all intents and purposes the article stands as sponsored by the Journal of Commerce itself.

Effect of a Boycott

A boycott upon the Province of Ontario and all its municipalities. The far reaching effect upon the Canadian municipal and provincial bond situation, if such a determination became an actual edict, is immediately evident. But to the constant observer of Canadian affairs such a suggestion as the Journal of Commerce has offered on behalf of the American fire insurance companies is impossible of putting into practice.

There are virtually but two reasons why American insurance companies would buy province of Ontario bonds. The one is that they may comply with the law of the province wherein they operate, that they have these bonds as "collateral." The other is the actual attractiveness of these bonds as an investment, the yield being about 5⅛ per cent. This yield compares with 5.25 per cent. obtainable on the six months treasury bills issued by Ontario last month, and offered here by the Equitable Trust Company.

IMPLEMENTS FOR IRELAND

Through Co-operative Society Frost & Wood Receive Opening Order

Representatives of the Irish Co-operative Agricultural Society, now in Ottawa, have concluded arrangements for the purchase of a large quantity of agricultural machinery. This order was placed with the Frost & Wood Co. of Smiths Falls, Ontario, and will be put in hand at once. It is learned that other orders from the Co-operative Society—orders of considerable magnitude—will follow very shortly.

VANCOUVER WILL SEEK TO LICENSE COM. TRAVELLERS

Expects to Derive Considerable Revenue From This Source

A FIRST ATTEMPT

Opposition to the Proposal Will be Very Strong and May Prevent Its Execution

By Special Representative

VANCOUVER, B. C.—In order to realize an anticipated $100,000 extra revenue, the city of Vancouver, B. C. is taking preliminary steps for the introduction of a bylaw to license all wholesalers, brokers, and manufacturers' agents, also each salesman considered as representing wholesale interests.

The license fee proposed is $100 per year for each individual firm or person, and in addition, it is proposed that any salesman making use of an automobile in his business shall be charged another $10 plus one per cent. of the value of [illegible] the car. A special [illegible] of the council met on Thursday [illegible] sider the bylaw, and will meet again shortly.

Wholesalers and manufacturers are fighting hard against the bylaw. The brokers are also putting up strenuous opposition against being included. The estimate that revenue resulting from the proposed tax should produce $100,000 is made by the city license commissioner Charles Jones.

Innovation for Vancouver

A business tax would be an innovation for Vancouver. Up to now the city has got along without one, and it is believed that the Federal Government would not grant powers for the levying of such a tax. Government action is looked for as result of the furore occasioned by the proposed license levy.

License Commissioner Jones could not give a definite ruling meantime as to whether the bylaw would include commercial men working the city in the interests of outside concerns, but the manufacturers maintain that should any such application of the bylaw be countenanced, it would cost a Montreal traveller ten thousand dollars to work across the Dominion.

CANADA MUST DEPEND MORE ON HOME MARKETS

The Trade Commission to Europe is Not Getting Export Orders

EMPLOY OUR PEOPLE

Any Dealing With the Tariff Will Have to be in the Way of Correcting Abuses of Principle of Protection

By Resident Representative

OTTAWA.—Almost as complete as the collapse of Germany has been the collapse of our hopes of European business. The Commission sent to Europe is in danger of being in the position of the commercial traveller, who complained that he had received only one order, and that was "an order from the firm to come home." The Commission has been in existence about four months, and up to date, has not secured a definite order for Canada.

No one is disposed to blame the members of the Commission for this. If the business were to be had, it is likely that Mr. Lloyd Harris would locate it; but although the war was open to everyone, reconstruction is to be a domestic concern. It is not pleasant; but we can hardly blame the people in the real war for doing everything possible to solve the troublesome and, potentially, dangerous problem of unemployment. Some months hence, when things over there have shaken down a little, they may call on us for some of the things they cannot supply themselves, but there [illegible] doing at present.

Should Receive Consideration

There is one respect, however, in which it would be thought we might be entitled to a little more consideration. There are certain materials, such as lumber, which none of the Allies produce to any extent themselves. Here, it might be supposed, we should have a preference, but apparently we are not to be distinguished from those countries, such as Norway and Sweden, which sat tight

Continued on page 5.

60,000 SUITS FOR ROUMANIA

Orders for some sixty thousand men's suits have been received by Canadian clothing manufacturers from Europe. The order comes through E. L. Carley, the representative whom the Canadian clothing manufacturers sent to Europe some time ago, and comes principally from the Roumanian and Serbian Governments with small orders from Belgium and France.

It is evident this order for 60,000 suits is considered only the first, for Carley, representing the clothing manufacturers in England, has asked that samples of serge from 15 to 22 ounces be sent him. The woollen manufacturers are doing more than send these samples. They are sending also two of their leading members, Geo. C. Coppley, of Coppley, Noyes & Randall, Hamilton, and M. Friedman, of Friedman & Co., Montreal, who will sail Feb. 28 on the Olympic.

Commenting on the 60,000 suit order, clothing manufacturers say this—and the further orders that seem certain, now that the Government has arranged $50,000,000 credits in France and Roumania—means the Canadian clothing manufacturers will be rushed with business, and will be able to keep employed the staffs they developed during the war; able even to expand their staffs in many cases.

The orders from abroad also mean that the Canadian cloth-making industry—which grew so tremendously during the war—will continue to flourish. Canadian clothing manufacturers state that the product of the Canadian mills is splendidly adopted for this export business, and that the mills will assuredly be kept busy turning this out. That these mills, therefore, will maintain their entire staffs.

This is cheering news, especially in view of the fact that United States cloth mills are now reported to be offering their product on the Canadian market at heavily cut figures. From what can be learned, it would seem that the United States cloth offerings are not a very vital factor. The cut in price is small, and Canadian clothing manufacturers being well provided with cloth for next fall's needs are not inclined to buy. The American product is not as suitable, they say, for the export requirements as is the product of the Canadian mills.

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BANK OF MONTREAL

Established Over 100 Years

Capital Paid up, $16,000,000. Rest, $16,000,000.
Undivided Profits, $1,901,618.
Total Assets - - - - $558,413,546.

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THE MERCHANTS BANK OF CANADA

Head Office: Montreal. Established 1864.

Paid-up Capital ....$7,000,000 Total Deposits (Oct., 1918).$132,000,000
Reserve Funds ....$7,437,973 Total Assets (Oct., 1918)..$165,000,000

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COLLECTIONS FOR BUSINESS HOUSES

This satisfactory service which The Merchants Bank renders to Business Houses, in the matter of collecting Notes, Drafts, and other financial paper, is due to the number and strategic location of its branches throughout Canada, and the efficient system in force.

Special attention is given to collections; returns are promptly made and credited; losses are often prevented by the care and thoroughness with which we do this part of our work.

236 Branches in Canada Extending from the Atlantic to the Pacific.

The Dominion Bank

HEAD OFFICE - - - TORONTO

SIR EDMUND B. OSLER - President
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THE LONDON, ENGLAND, BRANCH
Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange [illegible] facilities for handling [illegible] remittances from Canada.

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UNION BANK of CANADA

Dividend No. 128

Notice is hereby given that a dividend at the rate of 10% per annum upon the paid-up Capital Stock of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Saturday, the 1st day of March, 1919, to shareholders of record at the close of business on the 14th day of February next.

The transfer books will be closed from the 14th to the 28th day of February, both days inclusive.

By order of the Board,

H. B. SHAW,
General Manager.

Winnipeg, January 16th, 1919.

THE MOLSONS BANK

Incorporated by Act of Parliament 1855

Paid Up Capital - - - $4,000,000
Reserve Fund - - - - 4,800,000

Head Office, Montreal

Besides its 98 Branches in Canada, the Molsons Bank has agencies or representatives in almost all the large cities in the different countries of the world, offering its clients every facility for promptly transacting business in every quarter of the globe.

Edward C. Pratt, General Manager

THE
STANDARD BANK
OF CANADA

HEAD OFFICE - TORONTO

A GENERAL BANKING BUSINESS TRANSACTED

SAVINGS DEPARTMENT
AT ALL BRANCHES

EST'D 1873

BIG INCREASE FOR CANADIAN MANUFACTURES

Gross Value of Goods Made in 1917 is Over Three Billions

GROWTH ON ALL SIDES

Dominion Bureau of Statistics Census Report Reveals Vast Development for Canadian Industries Over 1915

An increased value of $1,608,369,729 in value of products, an increase of $778,414,408 in capital invested, an increase of $35,675,213 in salaries paid, and of $227,789,246 in wages paid, as well as an advance of $800,686,769 in cost of materials used are the feature figures in reference to Canadian manufacturing during 1917 as contrasted with 1915, according to the census taken by the Dominion Bureau of Statistics, now made public. There were 20,915 more salaried employees, and 157,273 more employees on wages in 1917 than in 1915 in Canada.

The gross value of goods made in Canada in 1917 amounted to $3,015,506,869, and the cost of materials was $1,602,820,631, leaving a net value added by the process of manufacture of $1,412,686,238 or $5,449,098 more than the gross value of production in 1915.

Totals of interest for 1917 in contrast with those for 1915 are here shown in tabulated form:

	1917	1915
Capital invested..	$2,772,517,680	$1,994,103,272
Emp. on salaries, No.	73,598	52,683
Salaries paid ....$	95,983,506	$ 60,308,293
Emp. on wages, No. (Including piece-workers)	619,473	462,200
Wages paid ....$	457,245,456	$ 229,456,210
Cost of materials.	1,602,820,631	802,133,862
Value of products	?,015,506,869	1,407,137,140

Vast Development Recorded

Over 34,380 establishments contribute their quotas to these returns, and represent a total capital investment of $2,772,517,680 divided into land, buildings and fixtures, $998,351,070; machinery, tools, etc., $567,262,538; materials on hand, stocks in process, finished products, supplies, fuel, etc., $745,546,310 and cash accounts and bills receivable $461,357,762.

Twenty Leading Industries

The totals of the twenty leading industries in gross and net value of production were $1,720,700,960 and $724,266,227 and they represent respectively 57 per cent. and 51 per cent. of the grand totals for the Dominion.

The twenty leading industries with the gross and net values of their production are given below in order of precedence:

	Gross value	Net value
Flour and grist mill products	$224,191,735	$40,604,799
Steel furnaces and rolling mills	170,679,000	62,040,044
Slaughtering and meat-packing	153,279,252	36,082,497
Log products	115,884,905	75,159,877
Munitions	112,866,838	70,240,235
Pulp and paper	96,340,324	61,627,462
Butter and cheese ...	85,731,339	13,719,662
Cars and car works..	78,564,527	39,884,077
Bread, biscuits and confectionery	77,223,581	33,022,111
Sugar, refined	73,329,260	20,149,349
Smelting	69,262,673	33,591,253
Foundry and machine shop products	66,945,483	43,322,382
Iron and steel products	58,797,766	26,777,534
Build. and contracting	54,668,255	32,927,335
Automobiles	54,466,273	18,880,453
Slaughtering, not including meat-packing..	53,441,466	14,771,901
Boots and shoes	49,170,062	22,389,519
Elec. light and power	44,536,848	44,536,848
Leather, tanned, curried and finished	41,117,128	14,492,651
Elec. appar. and sup.	40,204,245	20,046,238

Various Capital Investments

The amount of capital invested in the leading industries was as follows: Electric light and power, $356,004,168; pulp and paper, $186,787,405; log products, $149,266,019; cars and car works, $98,274,585; steel furnaces and rolling mills, $91,894,777; flour and grist mills, $72,573,982; agricultural implements, $70,493,801; foundry and machine shop products, $69,915,032; car repair shops, $68,763,298; slaughtering and meat packing, $68,145,347.

Important Expenses

Amongst the important outlays noted are $73,087,840 for fuel used in carrying on these industries in 1917, $11,211,114 for rentals, $11,647,458 for power, $10,694,332 for insurance, $28,464,674 for taxes, $2,041,715 for royalties $13,135,337 for travelling expenses, $36,058,038 for repairs, and $9,929,162 for advertising.

BRITISH TRADE

New Regulations Affecting Imports and Exports.

The British Trade Commissioners in Canada, G. T. Milne at Montreal and F. W. Field at Toronto, have received cable advices from the Department of Overseas Trade, that the following wide range of British manufactures have been placed on the free list, and now require no export license:—

Artists' materials, athletic goods, bicycles but not tires, bicycle accessories (various), buttons except military, horn and vegetable ivory, cigar and cigarette holders, china and earthenware, china clay, clocks, cutlery, drugs (various), fancy goods of paper, ivory, leather, etc.; films subject to censorship, flower seeds, fountain pens, furs (dress, dyed or manufactured); glassware, hardware (iron and steel builders); hats, household effects of wood iron or steel, ink, jewelry (imitation or pearl), laces, laundry machinery, ledgers, marble, mineral waters (unsweetened), musical instruments, office furniture, pictures, paintings, phonographs, photographic materials (not chemical), razors (safety and blades), ribbons (silk), spectacles, sewing machines, wallpaper.

Lists of goods for which export licenses are still required for shipment from the United Kingdom will shortly be in the hands of the British Trade Commissioners noted above. They will also be advised weekly, by cable, by their department in London of the goods removed from such list and any alterations thereto.

The British Trade Commissioners will be glad to take up these matters with local importers and others interested.

The following are some of the principal commodities for which licenses are still required:—

Abrasives, agricultural machinery, cement, chemicals (various), coal and coke, oils, pipes (cast iron), packing cases, railway material, resins, coal tar products, copper (wrought and unwrought, including wire); alloys, dyes, foodstuffs, food for livestock, glue, iron angles, bars, billets and constructional material, steel angles, ingot plates and similar raw materials, textile machinery, textile yarns, fibres and waste; tin plates, war material, wire rope, wood and timber.

The prohibition of the exportation of raw materials does not extend to goods manufactured from such materials.

SHAKE-UP ADVANCES MEN'S FORTUNES

Rapid Rise in Canada Steamships' Service of Messrs. Burke, Cowan and Isard

The promotion of J. W. Norcross from vice-president and managing director of Canada Steamship Lines to the presidency, at the same time marked a rise on the staff and directorate of three young transportation men, who had been closely associated with Mr. Norcross for a number of years; W. E. Burke, Harry W. Cowan and Fred S. Isard. All have grown with the added responsibility entrusted to them.

The first mentioned was born in Belleville in 1881, and entered the R. and O. Navigation Co.'s service in 1905 [illegible] purser on the SS. Picton, Montreal to Toronto. Later he was soliciting freight agent and traveling freight agent for the company. In 1907 he entered the employ of Mr. Norcross, who the year before had embarked in his own freight line with a single boat, increased to two in 1907, afterwards operating under the name, Merchants Mutual Line. After two years as traveling freight agent, Mr. Burke, at the age of 28, became general freight agent of the young company; from 1910-1914 he was traffic manager, and by that time the greatly-expanded line of Mr. Norcross had joined the merger, and Mr. Burke followed his chief to Montreal as assistant manager.

His other connections include directorates in allied companies, such as the Niagara Navigation Company, Canadian Chadwick Metal Company, Port Colborne Coal and Dock Co., Toronto Coal and Dock Co., Hamilton Shipbuilding and Ferry Co., and latest of all, Halifax Shipyards.

Harry Cowan was born in Hamilton in 1885, was associated with the Grand Trunk Railway 1902-1904, was then steamships agent of the Montreal and Lake Superior Line, Toronto, 1904-1909, and in the last year joined the Merchants Mutual Line. In 1914 he was brought down to Montreal as operating superintendent of the Canada Steamship Lines, becoming operating manager in April, 1916.

Frederick S. Isard, comptroller, was born in Hamilton only 30 years ago, and began his business career with the International Harvester Co., joining the successor of the Merchants Mutual Line, the Canada Interlake Line, in 1911. He likewise came down to Montreal in 1914. Last year he was appointed also treasurer of the new big shipbuilding and wrecking enterprise under the control of J. W. Norcross and Roy Wolvin, Halifax Shipyards, Ltd.

CANADA FOUNDRIES & FORGINGS

It remained for Foundries and Forgings to make the only ripple in the market during the week. Sales were made as high as 200 against a price of 192 on the 22nd of January, when the last sales were recorded. There was, of course, an immediate reaction following the twice par peak, but the recession took the price back only as far as 197. These events were on the Montreal market. While the actual earnings of the year 1918 may not be divulged until the annual meeting on the 25th instant, sufficient is known to justify the statement that the results will be highly satisfactory to shareholders. The bonds are now well under $200,000, and may be wiped out before a great length of time. The earnings were at a high percentage, and the prospects for trade during the present year are good, both for domestic and export account.

NO LONGER NEED OF A BONUS FOR MINING OF GOLD

The United States Treasury Committee Finds Against the Proposal

CANADA'S ACTION

By Continuing to Pay Hollinger Mines in New York Funds Gives Practically a 2 Per Cent. Bonus

Gold mining as an industry was going through a critical phase shortly before the cessation of hostilities in Europe. Owing to the fixed price of gold the ever increasing prices of almost all commodities essential to its production from the mine became a serious factor affecting profits, reducing the margin of gain in some cases to the verge of loss, and in some cases going beyond that and closing the mines. Investigation of the situation was instituted in both America and Great Britain in order that if need be, gold production might be encouraged by Government action to discount the retarding effect of the other market conditions.

Action Unnecessary

Special Commissioners looked into the matter in Britain, and a special treasury committee was appointed for the same work in the United States. This treasury committee has just reported their finding that owing to the cessation of hostilities with their abnormal stimulus to Government demand for many commodities, the need for special encouragement for gold production has passed, and this industry will with other industries gradually revert to normal.

The Committee accordingly reports: "It is therefore the judgment of this committee that no steps should be taken by the Government to stimulate or promote the production of gold."

Due recognition is paid in the report to the fact that in suggesting the need for some Governmental relief to the situation as regards gold production costs, the gold mining interests were actuated solely by an appreciation of the importance of the industry to the economic interests of the country at large for the maintenance of international credits, and not at all as a matter of merely individual or collective concern.

British Decision Similar

The United States treasury committee reports with satisfaction that a similar decision to their own had been arrived at independently by the British Commission which also finds that there is no need now for any Government steps to stimulate gold production where retarded by high prices of necessary materials and labor.

But Ottawa Gives Bonus

An interesting associated situation as regards gold production in Canada is found in the fact that at present the Canadian Government is in a sense subsidizing the business of gold production within the Dominion, or at all events encouraging the home disposal of Canadian-mined gold. This situation arises through the condition of adverse exchange affecting Canadian funds as against American, and so far concerns only one mine—Hollinger. Hollinger gold was formerly refined in New York. Now it is being refined at Ottawa, and in order that Hollinger may not lose the advantage of being paid in New York funds which work out at a premium of about two per cent. over the Canadian dollar valuation, Ottawa has decided to make payments for Hollinger gold in New York funds also. This is equivalent, practically, to a Canadian Government bonus on Canadian-mined gold and may quite possibly be extended to apply to any other Canadian gold producer.

SCRAP PRICES ARE ON THE DECLINE

In Many Lines Prices Are a Mere Shadow of Those Attained During War Period

Scrap dealers made a move this week but it was only to put the pruning hook deeper into the list of scrap prices. A good many of these now are a mere shadow of the splendid height to which they rose during the war period. There is no business moving, and so it is almost impossible to say that the lowly list now used is really a criterion of the metal market to-day.

Here is the way prices have receded in some of the leading lines:

Heavy melting has been $15, to-day $14, in September of 1918, $22.

Shell turnings in war days brought about $12 per ton; after the war ended the price stayed around $8, while to-day dealers are offering $6 and they are not anxious for deals.

Boiler plate is quoted as low as $11 to-day. For a few weeks it has been at $15, against a war time quotation of $22.

Rails have slumped to half their war value. To-day's quotation is $11, against $15 of a few weeks ago. September of last year saw them bringing $23.

No. 1 machine cast scrap was as high as $33 per ton in war time. Following the stoppage of war it fell off to $18, while to-day dealers might pay $14 for offerings, but it is doubtful if they would go higher than that price.

Malleable scrap is marked at $13 to-day, against last week's $15, while the war price would run close to $20.

Wrought pipe was lowered $1 today, to $7 against the previous price of $8. Last September $17 was the prevailing price.

It is estimated that there are at least 400,000 tons of shell billet scrap in Canada now, but at least 150,000 tons of this is the property of the United States Ordnance Department. The rest is the property of the I.M.B., and will likely be sold as soon as a buyer is found. The material is very desirable, both from its quality of steel and the uniformity of the material for handling. The average consumption in this country of heavy melting steel is about 100,000 tons per year, and as the shell billets come under this heading it will be seen that there is a supply on hand for some time to come.

A MONTH'S BUSINESS FOR FLOUR MILLS

Assurance of Sale of 70,000 Tons Means Something Better Than Half-run for a Month

While the mills have been assured of a sale of 70,000 tons of flour during the coming month, the allocations that were to have been forthcoming nearly a week ago have not yet arrived at the mills, from the Wheat Export Company, so that no business is being done on these orders at the present time. This order will assure something better than a half run to the mills for a month time to come, but as they have only been given a definite assurance of purchase for one month's time, anything may come after that. The situation therefore is little changed saving that the mills are assured of one month's fair business, but are in the dark as far as the more distant future is concerned.

The order will, however, carry them over the most trying period, and if further business is not then forthcoming, it may be that by that time conditions will have so changed as to permit the withdrawal of the present regulations on shipment on domestic account, which would put the mills on a much sounder foundation.

The withdrawal of the restrictions on the selling price of mill feeds has unfortunately come too late to be of much service. The United States price is now about on a parity with that in Canada, so that there will be no profit from this line that it was hoped might help to modify flour prices. Had this action been taken some time ago, it would have put Canada on an even basis with the United States in going after West Indian business. Unfortunately when the Canadian mills are put on this even basis it is to find this market glutted with American products sold at prices made possible by the high figure obtained for feeds. The mills at the present are finding a fair local demand, and with the prospect of the allocations on the Wheat Export Company's purchases coming through shortly are running at about a 50 per cent capacity. It is probable that they can better this run during the coming month.

ALGOMA STEEL CORPORATION

It is interesting to note what J. Frater-Taylor, director of the Algoma plant, has to say concerning the ability of that company to handle all or part of the big order of rails for India. He points out: "The Algoma works at the Soo are well situated for transportation to India. We can ship from the Soo to Vancouver and thence by steamer to the East, the whole journey taking about three weeks—less time than from England. We have sent no end of rails, etc., to South Africa and Australia, so we know the business." As affording some little indication of the magnitude of the requirements of the Indian Government, Mr. Taylor points to the fact that the order for the rails would keep the huge Algoma plant working at capacity for three years.

TRURO STEEL

Shareholders of the Truro Steel Co. held a meeting at Halifax to consider a proposal to make a new issue of 8 per cent. five-year bonds for $60,000 and to retire $70,000 bonds on which 1 per cent. of the principal has been paid off, agreed unanimously against the proposal after a somewhat acrid discussion.

STEEL CO. OF CANADA

Although several lines have been mentioned as being likely to be developed at Hamilton, no definite announcement has yet been made. The orders that are coming in now can hardly be expected to reflect the business that has been done during the last two or three years. No serious reduction has yet been made in the working staff. Common stock sells with fractional changes from the 60 point mark, while preferred is not prominent in trading at 93¼.

UNCERTAINTIES LIE AHEAD FOR STEEL INDUSTRY

Keen Competition Expected For All the Business Offering

THE COSTS PROBLEM

Understood That Building of Canadian Plant of U.S. Steel Corporation at Ojibway is Held Up For Present

There is a lot of material coming into this district from United States steel mills at present. In fact the present month will turn out to be one of the best for a long time past. Most of this is on business that has been on the books for some time past. It was placed at war prices, but in order that there might be no embarrassment price concessions have been arranged so that the orders may remain good. An official closely in touch with the United States Steel Corporation stated to POST this week that it was because of this policy of trying to keep business booked during the war good now, the corporation mills were operating yet at about 85 per cent. of their full capacity, while a number of the other rollers have closed down for the time being.

The same official has just returned from the annual gathering of managers of the United States Steel Products, which is the export branch of the steel corporation. The consensus of opinion seemed to be at that gathering that there would be keen competition for all the business that was offering. This would be due principally to the very large capacity of the plants of the United States, as well as to the additions and extensions that had been made under the stress of war in Britain and other countries. The question of prices is unsettled, and it is a matter that those at the meeting were inclined to say little about, beyond admitting that the uncertainty of which way things would go was holding back a lot of business. Another thing brought out was the feeling that a slight price concession would do nothing whatever toward bringing any new business to the point of actual placing.

Costs Serious Problems

The matter of costs is going to come as serious problem very shortly. Labor is still at war levels, and the steel concerns do not want to take the first step to force wages down as long as other costs that draw on the men's salaries remain at their high levels.

It is understood that the Canadian plant of the Corporation at Ojibway is hung up on account of the excessive amounts that would be involved in going ahead with the plant at the moment. Officials of the corporation take the position that whatever they invest in the plant is a permanent charge and if it is very high it will make that much more to work against to make a profit every year. The work may go along slowly, but until there is a more tempting labor cost it is unlikely that anything will be done on a scale in keeping with the size of the undertaking.

WAREHOUSE BUYING OF STEEL ACTIVE

May Not be a Proof, However, That General Steel Business is Good

Warehouse business is good for steel trade in Canada. One of the largest concerns, with offices in Montreal and Toronto, stated to the POST this week that they had done more business by the 15th of February than they had for the entire month of January of this year. It is not always a good sign to see the warehouses doing a very large business. It may mean, and the chances are that it does at present, that the large users of material, the manufacturers, are out of the market in a large way. They prefer, fearing a further decline in market prices, to keep their stocks at the vanishing point, and to follow a hand to mouth policy of buying from warehouse stock for immediate and pressing needs. That may not be the proper interpretation, but there is much to warrant the opinion that such is the case.

The six cent price for plate is still adhered to in Toronto, but it is becoming harder to get this figure, and it is quite apparent that it will have to drop downward very soon. Buyers of plate know that they can get advantage now of the three cent Pittsburgh price for a two week delivery. Warehouse prices are always a little above mill on account of the quicker service, but even so Chicago warehouses are selling now at 4.27, which means about 5.05 f.o.b., Toronto. Some of the Montreal warehouses are now using a 5.50 base price, and it would cause no surprise to see this concession in Toronto. Prices on sheets are being shaved closely too. The firms want business. This week several jobbers were figuring on a fair sized order for an automobile shop. It was only a matter of some $2,000, not a mill size order, but good business for a warehouse delivery. Several prices were put in, and the same firms came back a couple of times and battered down their first figures in order to get favorable consideration. When this practice becomes more common, and there is nothing to restrain it, it may be that an era of lower prices will come, but there is a very well-defined limit at present past which these cannot drop.

AFTER CANDY BUSINESS

Candy and Biscuit Interests to Send Representatives Overseas

At a recent meeting of the candy and biscuit interests held recently in Montreal it was decided to make a strong bid for export business. With this end in view the newly created Candy and Biscuit Association will send representatives overseas. The matter had been left in the hands of C. J. Bodley, the new manager, who until recently was in charge of the confectionery branch of the Canada Food Board, and the executive of the association. It is expected that the appointment of these representatives will be made within the near future.

CREDIT MEN UNEASY ABOUT PROFITS TAX

Have Called Upon Boards of Trade to Join in Resisting Its Re-enactment

By Resident Representative

OTTAWA.—The Canadian Credit Men's Trust Association, having received the usual stereotyped reply given to all inquiries on matters of Government policy, which is, in one phase or another, that the Government will say nothing about its policy except in Parliament or after the passing of an order-in-council—is in a state of uneasiness regarding the business profits war tax. Sir Thomas White will not tell them whether it is going to be re-enacted or not. The association is therefore assuming that it may be the Government's intention to re-enact the measure, but will not say anything about it until the last moment, fearful of the opposition it may arouse. The association is calling upon boards of trade and other commercial organizations in Canada to join together to resist the re-enactment of "the obnoxious legislation."

There will, of course, be ample time to resist the legislation after the Government shows a definite intention to re-enact it; and that is the answer which one commercial organization has given to the circular. In the case of this, as of all the special taxes, as well as the wider question of the tariff, the Government will weigh "revenue" against "embarrassment." It must have the revenue but it can very well do without any increase of disturbing incidents.

Tax on Tea

There is a fairly persistent rumor afloat that the tax on tea will be increased from its present figure of ten cents, to 25 cents a pound. It is taxed a shilling a pound in Great Britain. But in Great Britain, they have not removed from the poor man his other traditional solace, beer.

About the only way to get an idea of what the Government may do in a matter of policy is to put yourself in the place of the ministry. You would, naturally, being anxious to preserve your political life as well as to do what is best for the country, try to avoid unpopular measures. It is not hard to see how unpopular a high tax on tea would be. Singularly enough, in discussing the possibility of such a measure with the heads of two different organizations of large membership and influence, I got the same answer from each: "They would never make tea practically prohibitive as well as liquor. The people must have some 'solace.'"

MERGER ANNOUNCED

Guaranty Trust Co. of New York Links Up With Montreal House

Following the entry into Canada of the National City Company, it is now announced that a second large American bond house will be represented here. This is the Guaranty Trust Co. of New York. A rather novel plan has been adopted whereby the United States corporation forms an amalgamation with an existing Canadian organization, C. Meredith & Co., Limited of Montreal. A new company to handle the Canadian business is to be formed to be jointly opened and managed. It is understood that the new company will be called the United Bond & Securities Co., or something very similar, and will be capitalized at $1,000,000. The directors of the new company will include the directors of C. Meredith & Co., together with the president and three vice-presidents of the Guaranty Trust Company of New York. The Montreal, Toronto, Winnipeg and London offices of C. Meredith & Co. will be absorbed by the new company.

MINING ENGINEERS OF TWO COUNTRIES WANT MORE UNITY

Joint Committee of Canadian and American Engineers Advocated

LABOR CONDITIONS

Canadian Speaker Says There Should be Widespread Social, Economical and Ethical Education

By Special Representative

NEW YORK.—Greater unity between mining engineers of the United States and Canada was the energetic plea set up before the 119th meeting of the American Institute of Mining Engineers, held in New York this week.

Dr. A. R. Ledaux, newly elected vice-president of the American Institute and one of the best known mining engineers in the east is especially anxious to bring Canada and this country closer together, from a mining standpoint. He told the institute that American mining engineers could learn much from the Canadians, and said that it would be to the best interests of both countries if some method of co-operation were suggested.

Dr. Ledaux advocated the appointment of a committee of American engineers to co-operate with a similiar body representing the Canadian Mining Institute. Many problems he thought could then be solved to the greater advantage of both countries. These committees could meet at stated times and take up in detail the mining questions that must constantly arise in both countries.

Friendship, Not Guns

T. A. Rickard of San Francisco was of the same opinion as Dr. Ledaux. Mr. Rickard pointed out that the fact that not a single gun was on the border line indicated the feeling of real friendship between this country and Canada. He added that there was no reason why there should not be the utmost co-operation between the mining men of the United States and those of Canada in every respect.

Among the Canadian delegation were D. B. Dowling, president of the Canadian Institute; John McLeish, statistician in the Department of Mines, Ottawa; O. S. Finnie, mining engineer in the Department of the Interior; H. H. Rowatt, Controller in the Department of the Interior; Colonel Machin of the Department of Justice and C. V. Corless, a Canadian authority on economic problems.

Labor Conditions

The principal address was given by Mr. Corless. After reviewing conditions that exist in industry as a result of the war Mr. Corless inquired into the causes. "When we regard the widespread unrest in Great Britain and America," he said, "which centres chiefly around the antagonism between capital and labor we find the real causes disguised by divers names."

Those who have experience know that to increase wages, to shorten hours, to improve now this working condition and now that, or to concede any other of the varied demands of labor, never satisfies. There are probably very few men who would not be willing to earn less, to work harder and for longer hours and under worse conditions, or to get on with fewer holidays if it were done for themselves in any undertaking in which they really felt a deep personal interest. But, in modern industry they do not feel personally interested. They have no sense of ownership. They never begin and finish anything. They have little or no interest in the end product. They do not have the opportunity to think for themselves. They are generally required to perform certain definite work, or even mere mechanical movements without consultation, or in a way that does not call for reasonable exercise or recognition of their intelligence.

The Economic Machine

They have very little or no voice in governing themselves. They are parts of an organization, cogs in an economic machine which they do not fully understand, and in which they almost lose their identity—that is, their freedom for self-development. Somebody, somewhere, shapes the organization and sets it in motion, but the parts of the organization they see or the work they perform usually have little, if any, scientific or social meaning to them. Hence their spirit rebels. The human spirit, unless it has been utterly suppressed, is fortunately so constituted that it always rebels against any form of external authority in which it has no share, and which it does not intelligently grasp.

Industrial peace will never be attained as long as capital and management assume the right to a final say on matters intimately affecting the welfare and even the self-respecting existence of a very numerous class, whose loyal co-operation is as essential to the success of every industrial enterprise as their own.

Great Transition Period

Is it clearly recognized that we are at the beginning of a great transition period of industry? Do we realize that the autocracy of capital is coming to an end? Such periods of widespread, rapid, social change are times of peculiar danger. It is in the power of the present members of society either to recognize the principle at work and to lend intelligent assistance to the movement or to increase the social danger of opposing it.

Mr. Corless advocated a comprehensive scheme of education among workers that they might be capable of intelligently solving the problems that will come with fuller recognition in industry. He said the greatest, if not the only, safeguard against Bolshevism and red revolution was widespread social, economical, and ethical education.

MONTREAL REAL ESTATE CONDITIONS

The Market Appears to Have Reached Bed-rock, and Upward Turn is Anticipated

Real estate conditions in Montreal during 1918, as reviewed by the Cradock-Simpson Co., are considered satisfactory only as regards improved renting demand for heated flats and apartments, and improved inquiry for special business premises and factory properties. Nevertheless the outlook is considered re-assuring for the near future, the increased rental demand being usually a sign of a coming increase in land values.

During 1918 transactions in real estate in Montreal (exclusive of Maisonneuve) totalled 6,035, and represented in money $25,838,308. Laurier ward in the city showed the greatest cash value for its year's business, the amount being $2,855,898, for 330 sales, while in number of sales Bordeaux ward was highest with 1,104 sales, which, however, represented in money only $1,525,994.

Both in number of sales, and in amount represented 1918 falls short of every year since and including 1910. The banner year between 1910 and 1918 was 1912 with 13,618 transactions representing $141,605,548. Westmount, Outremont, Maisonneuve, Verdun, and Montreal West together total 993 sales representing $5,793,573 again a smaller showing than in previous years, and far behind 1912 with its sales amounting to $23,632,410 for these municipalities. But the fact that the market was so sluggish in 1918 is taken as a sign that the market is near the turn.

The shortage of buildings, and small number of permits issued representing in the city $4,883,873 as compared with the $27,032,097 of 1913 are both taken as an element of strength for the future in the real estate market of Montreal. Increased taxation, high cost of materials and labor, and difficulty in getting mortgage loans on favorable terms are cited as retarding factors, but an optimistic opinion is expressed as to the intentions of the present city commissioners of Montreal with a view to the improvement of the city's financial position for the future.

LONDON TAKES ACTION

Will Investigate the Service-at-Cost Plan of Street Railway Operations

Steps to bring the service-at-cost idea into definite shape for consideration were taken at a meeting held this week in London, Ont. when representatives of the city, of the Chamber of Commerce and of the London Street Railway Company, appointed a committee to investigate how the service-at-cost plan had been put into effect in other cities, and to bring in a suggestion as to how it might best be put into effect in the city of London.

At this meeting the proposed service-at-cost system found great favor. Mayor Sommerville looked at the matter from a somewhat new angle suggesting that municipalization of the street railway should be considered, it however being understood that the line having once been municipalized should be operated on the service-at-cost plan.

The general feeling of the representatives who attended the meeting at which the committee to frame more definite plans was appointed, was to the effect that the service-at-cost system as generally understood,—that is a system whereby the street railway company is operated under the management of the company, subject to a commission, either elected or appointed,—would be in the better interest of the citizens.

LIFT LICENSES SOON

Canada Food Board Will Withdraw All Orders Licensing Business

It is understood that the remaining licenses in operation under the orders of the Canada Food Board, will be removed in the near future. Already the license restrictions on wholesale and retail grocers, produce dealers, and bakers, have been withdrawn. Those remaining are on the following trades: Packers, fish dealers, fruits and vegetable dealers, canners and cereal packers. Reports from Ottawa, indicate that it is only the matter of a very short while until these industries are also removed from the list of regulated industries.

Banking Service

The attention of manufacturers is drawn to the excellent facilities this Bank offers in all branches of a complete banking service.

A good banking connection is an essential to the success of the manufacturer or merchant.

THE CANADIAN BANK OF COMMERCE

Capital Paid Up, $15,000,000. Reserve Fund, $15,000,000

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid Up	$ 14,000,000
Reserve and Undivided Profits	15,500,000
Total Assets	427,000,000

HEAD OFFICE, MONTREAL

Sir Herbert S. Holt, President.
E. L. Pease, Vice-President and Managing Director.
C. E. Neill, General Manager.

530 Branches in Canada, Newfoundland, West Indies, Central and South America, etc., distributed as follows:

Canada	465
Newfoundland	6
West Indies	47
Central and South America	9
Spain (Barcelona)	1
U.S.A. (New York)	1
Great Britain (London)	1
	530

LONDON, ENGLAND — Bank Bldgs., Princes St., E.C.
NEW YORK CITY — Cor. William and Cedar Sts.

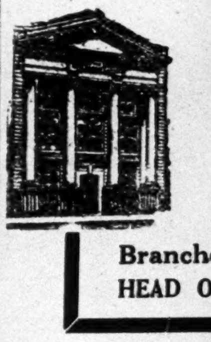
Business Accounts Carried Upon Favorable Terms.
Savings Department At All Branches.

The Weyburn Security Bank

Chartered by Act of the Dominion Parliament.
NINETEEN BRANCHES IN SASKATCHEWAN
HEAD OFFICE, - WEYBURN, SASK.

DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; Frank Moffet, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted.



THE HOME BANK OF CANADA

"Everything comes to him who saves his money while he waits"

Branches and Connections Throughout Canada
HEAD OFFICE AND EIGHT BRANCHES IN TORONTO

INCORPORATED 1855

THE BANK OF TORONTO

Head Office: TORONTO, CANADA

Paid-Up Capital, $5,000,000 Reserve Fund, $6,625,623

DIRECTORS:

W. G. GOODERHAM, *President* J. HENDERSON, *Vice President*
William Stone, John Macdonald, Lt.-Col. A. E. Gooderham, J. L. Englehart, Brig.-Gen. F. S. Meighen, Wm. I. Gear, Paul J. Myler, A. H. Campbell, W. R. Bawlf, John I. McFarland.

THOS. F. HOW, *General Manager* JOHN R. LAMB, *Asst. Gen. Manager*
D. C. GRANT, *Chief Inspector*

Business men are offered in this Bank the satisfactory banking service provided by our complete facilities and extensive connections.

BANKERS:
NEW YORK—National Bank of Commerce. CHICAGO—First National Bank. LONDON, ENG.—London Joint City and Midland Bank, Limited.

Mercantile Trust Company of Canada

LIMITED

Hamilton, - - - Canada

Acts as Executor, Administrator and Trustee. Administers Real Estate.

We have special facilities for handling property in the Niagara Peninsula.

Cyrus A. Birge, *President* S. C. Macdonald, *Manager*

The Western Empire Life Assurance Company

HEAD OFFICE - - - WINNIPEG

William Smith, President and Managing Director

F. C. O'Brien, Sec.-Treasurer

The essential soundness of the Company is evidenced by the substantial progress made during the last five years. The figures are from the Company's statement at the beginning of the year in which the war commenced, and at the end of the last year of the war.

	Jan. 1, 1914	Dec. 31, 1918
Assets	$ 256,173.70	$ 410,415.46
Insurance in force	1,971,200.00	3,801,063.00
Policy Reserves	34,742.00	190,091.00
Government Deposits	5,000.00	144,399.00
Premiums Received, less re-insurance	29,712.60	82,274.67
Interest Income	6,856.86	17,765.29
Payment to Policyholders	1,035.10	20,442.68

The Company is open to contract with men for positions of district managers at several western points. Liberal agency contracts and good territory available to men who are ambitious to build for the future, and who can furnish good references.

Ninth Annual Report of the STRATHCONA FIRE INSURANCE COMPANY

For the Year Ending December 31st, 1918

Submitted at the Annual Meeting, held at the Head Office, Montreal, February 13th, 1919

RECEIPTS

PREMIUMS	$263,040.10	
Less Cancellations and Rebates	37,230.97	
		225,809.13
Interest		4,769.15
		$230,578.28

DISBURSEMENTS

Claims Paid and Under Adjustment	$ 69,822.41
Re-Insurance Premiums	58,588.99
Commission	29,103.08
Management	42,600.31
Taxes	4,131.11
Surplus of Receipts over Disbursements	26,332.38
	$230,578.28

ASSETS

Bonds and Debentures (at cost)		$101,386.24
Cash in Bank		52,122.60
Agents' Balances		46,073.71
Office Furniture and Goad's Plans		9,000.00
Capital Subscribed	$300,000.00	
Capital Paid-Up	120,000.00	
Balance Uncalled		180,000.00
		$388,582.55

LIABILITIES

Losses Under Adjustment (no resisted claims)	$ 7,833.00
Due to Re-Insurance Companies Abroad	36,329.37
Reserve for Unearned Premiums	112,541.09
Surplus of Assets over Liabilities	231,879.09
	$388,582.55

Audited and found correct,
A. CINQ-MARS, C.A.F., C.A. (Can.)
Auditor.

Certified correct,
J. MARCHAND,
Secretary-Treasurer.

INSURANCE ACCOUNTS

Premiums in force - $380,942 **Insurance at Risk - $27,659,365**

OFFICERS and DIRECTORS:

President and General Manager A. A. MONDOU, N.P. — Vice-President J. H. OLIVIER, N.P. — Secretary-Treasurer J. MARCHAND

J. L. Dozois, N.P. E. Sylvestre, N.P. F. S. MacKay, N.P. F. A. Labelle, N.P. H. Schetagne, N.P.
F. G. Fortier, N.P. M. P. Laberge, N.P. L. C. Jacques, N.P. F. X. A. Boisseau, N.P.

Superintendent of Agencies: Paul Lachance — Inspector: W. Labrecque

OFFICES: 90 ST. JAMES ST. MONTREAL

CANADIAN PACIFIC

DAILY TRAIN SERVICE

TORONTO - WINNIPEG - VANCOUVER

Leave Toronto 7 p.m.
Arrive Winnipeg 12.10 p.m. (Second Day)
Arrive Vancouver 10.05 p.m. (Fourth Day)

THROUGH EQUIPMENT

Compartment Observation Cars, Standard and Tourist Sleeping Cars, Dining Car, First-Class Coaches, Colonist Cars, Toronto to Vancouver.

A round-trip ticket to the Pacific Coast via the "Canadian Pacific" permits a wide diversity of routes without additional charge.

CANADIAN PACIFIC HOTELS IN WESTERN CANADA OPEN ALL THE YEAR ROUND

"Royal Alexandra," Winnipeg; "Palliser Hotel," Calgary;
"Vancouver Hotel," Vancouver; "Empress Hotel," Victoria

Passengers for California should arrrange their trip to include the Canadian Pacific Rockies

Particulars from Canadian Pacific Ticket Agents. W. B. HOWARD, District Passenger Agent, Toronto

SHREDDED WHEAT HAS GOOD YEAR

With Wheat Restrictions Removed, 1919 Should Show Even Better Results

In spite of the fact that for a great part of 1918 the wheat supply was reduced to 50 per cent. of normal, the Shredded Wheat Company shows a highly profitable year, during which the position of the company has been further improved. After increasing depreciation charges, making a greatly increased appropriation as reserve, the net still showed $926,785, and the balance after payment of dividends, was $766,724.

This table will be of interest:

Profits

	1918	1917	1916
Gross	$1,439,828	$1,249,981	$1,375,839
Deprec.	78,948	54,000	57,548
Reserve	434,095	149,870	142,530
Net	926,785	1,046,111	1,175,759
Dividends	775,000	775,000	687,530
Goodwill	....	....	575,000
Balance	766,724	614,939	343,827

The Canada Food Board has withdrawn restrictions as to wheat supply so that the prospects of the company for a successful year in 1919 are very bright.

FARM PRODUCTS WILL SELL HIGH DURING YEAR 1919

A Beef Scarcity Looms Up in America

A HOG OPPORTUNITY

Fruit Growers Revive Work—Flax and Sugar Beets Are Big Cash Crops — Australian Mutton Alarms Sheepmen

By F. M. CHAPMAN,
Editor "Farmers' Magazine."

Agriculture in Canada is preparing to get back to a pre-war activity with the opening of spring. Fruit growers are bestirring themselves over markets and express rates. Grain men expect a wide sowing of all kinds of cereals. Livestock men feel safe for the whole season, except in the price that ought to be paid for stockers to go on grass this spring. Sheep men have been somewhat perturbed over the prevalence of Australian frozen mutton all across the country. Wool will likely be in firm demand at good prices. Farmers expect cheaper labor this season, although there is little contracting being done as yet. But contracts for the season and year will follow fast almost at once. Western moisture conditions are giving some farmers much concern.

In Ontario, cash crops for farmers in flax for fibre, and sugar beets are likely to hold many farmers' finances at a high mark this year. Returns from the sugar beet crops in Ontario last year, even in districts remote from factories, have been good. Over thirty flax companies have been formed over the province and have contracted for from 100 to 500 acres each of flax, for which a definite per ton price delivered with seed furnished and crop pulled is given. This paying of almost half a million dollars will be found money for many rural sections.

The pea crop has been a paying one for some time, last year bringing the apex of returns. Ontario seed oats are being picked up fast, although market prices for this cereal are low, too low to induce much emptying of bins, but this week-end shows a higher tone. Wheat is not being taken out in many places owing to the local mills closing down, while the bread war in Toronto is being felt by local millers at country points. Bran is hard to purchase at country mills, while screenings and standard feeds are being put out to stock men at $25 per ton up. This allows hog feeders to be prepared for the uncertainty of the market situation by lower feed bills.

James E. Poole writes from Chicago to say that the next three months will see a big scarcity of first-class beef and a wild scramble for stockers and feeders to finish on grass. Where farmers have good grass and plenty of home-grown, cheap feeds, there is little danger of actual loss, for no one knows what the future holds. The farmer's position in the matter of market prices is not as assured as the merchants who announce higher prices on most products of farm consumption.

Western Canada farmers are beginning to wonder about next season's moisture. Last fall there was little rain, while there is no snow in Alberta and most of Saskatchewan. If the June rains fail, the crop outlook will not be a bright one. Some wheat has been sown in Southern Alberta this past week.

Speaking of the outlook for hog prices, the 'Breeders Gazette" says editorially that Eastern shippers have resumed purchasing on a large scale in Chicago, and that embargo restrictions have been lifted at every point east of Indianapolis.

Two reasons seem to exist for warranting the prediction that the Food Administration will maintain prices: increasing beef scarcity and continued marketing of light hogs, ensuring moderate lard stocks. There were but 80,000,000 pounds of lard in packers' cellars at the five principal packing points on February 1, with Germany and Austria waiting impatiently for the removal of the blockade. Under open trading conditions this stock would soon melt away, and a short corn crop never did fill the lard kettle. A year ago the trade was going through a season of excess lard production. At present conditions are reversed, and while there was a time when carrying out the hog stabilization plan was in doubt, that period seems to have passed.

MANITOBA BONDS SOLD PRIVATELY

Question Raised as to Why the Issue Was Not Placed by Public Tender

From time to time during the past few weeks THE FINANCIAL POST has directed attention to the increasing volume of public opinion that has been rolling up against the principle of private sale of Government and municipal bonds. The feeling seems to be general that only under very exceptional circumstances is there any justification for the private sale, and that the interests of a province or municipality are better served in the long run by adopting the more businesslike plan of calling tenders and transacting business in the open.

The question is revived this week by the reported sale of an issue of Province of Manitoba bonds. So far as THE FINANCIAL POST can gather, without having received official confirmation from Winnipeg, the issue, consisting of $500,000 5½ per cent. bonds, was placed privately with a Winnipeg loan company. Later, offerings of the bonds appear to have been made in New York, the "Bond Buyer" of that city associating the name of Wood, Gundy & Co. with the issue. When approached for information about the bonds, however, Wood, Gundy & Co. simply referred the POST to the authorities at Winnipeg, stating that they were not in a position to say anything for publication.

The air of mystery surrounding the flotation and handling of this Manitoba issue stands out in marked contrast with, say, the recent sales of City of Toronto bonds, and it is certainly a question whether the interests of the Province of Manitoba are best served by the continuance of the private-sale method of floating issues. As Finance Commissioner Bradshaw, of Toronto, recently pointed out in THE FINANCIAL POST, the public sale gives a better standing to the borrower's security, tends to build up credit, wins the good-will of bond dealers generally, and in most cases ensures a better price. Mr. Bradshaw sees no circumstances when the public sale is not preferable, and in this view he is supported by many other financiers.

BALD, NAKED NECESSITY OF THE PRESENT TIME TO GIVE EMPLOYMENT TO THE CITIZENS OF THIS COUNTRY

Continued from page 1

having in mind the enormous war debts that have been incurred and will have to be liquidated.

"It is an economic necessity to-day to get the greatest possible number of articles or value for one's dollar and it is an axiom accepted by both seller and buyer that **peace business cannot be maintained on a war-inflated price basis, consequently the world is suddenly halted by the momentous question of how to bring about a commercial peace basis of values without panic and the least dislocation of confidence and continued employment of those presently occupied, and at the same time provide work for those who have been engaged in war pursuits.** The buyer is liable to hasten to the conclusion that with the cessation of hostilities prices must drop appreciably at once, but it is well to point out that manufacturers, especially the makers of iron and steel on whom an insistent demand was made, were obligated to accumulate stocks of ore and everything that enters into the manufacture of steel to secure continuous operation. The war suddenly ceases and those stocks are on hand bought at high prices and in many respects regardless of price.

"Labor is to-day at its maximum wage and when these two elements are converted into a ton of steel, for instance, a high cost results, higher than either the world or the individual buyer would like to see to-day. An absorption of these conditions is now taking place and as soon as seller and buyer have come to some understanding as to what is reasonable under the circumstances, and this is the season we are now passing through, confidence will be established and business resumed.

"Commodity prices and wages should ease off in about the same ratio, but the wage scale generally, it is fairly certain, will not be reduced faster than the cost of living is cut, and this will be the dominant factor in determining the future trend of prices."

It might be mentioned that the Retail Hardware Association of Canada adopted, among others, the following resolution: **"That this Association recommend the retailers to sell as far as possible 'Made-in-Canada' products and thereby assist in creating employment for Canadian citizens."**

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HOLDING COMPANY IS AGAIN MOOTED FOR LAURENTIDE

Rapid Rise in Stock Lately Backed By Big Proposal

3% FROM POWER CO.

4% Dividend Works Out at $300,000 a Year — May Be Like Montreal L., H. & P. Co.

The Laurentide Company held the chief attention of the market this week by reason of the spectacular rise in the stock, following upon a very substantial one that had been going on steadily for the past two months. Starting at 200¼ at the close on Thursday last the price rose to a new high on the movement on Thursday of this week of 209½, closing at 208 bid and ½ point more asked. All sorts of rumors are floating around and prophecies of much higher figures for this stock are heard. The stock was listed first on Oct. 25, 1911, and without any dividend being paid it sold up to 160, with a low of 136. The next year the dividend was placed at 8 per cent., and the stock rose 80 points, from 160 to 240. In 1913 the extremes were 233 and 140, and the following year the range was 192¾ to 164½, when the war broke out. In 1915 it rose again to 198, and near the close of 1916 to 217½. In 1917 the high was 195 at the beginning of the year, but it fell to 152. In 1918, with a dividend of 10 per cent. the range was 154 to 198, the latter mark being reached on a rise following the increase of the dividend from 10 to 12 per cent. Last month the stock dropped gradually from 198 to 192, but a few days ago started on the upward move again, with 9 points gained in the first four days of this week.

Dividend on Power

This latter movement was accelerated by the declaration of 4 per cent. on the stock of the Laurentide Power Company. This amounts to $10,500,000, and of this the Laurentide Company owns $7,500,000. The 4 per cent. on the Laurentide Power stock represents a payment of $420,000 a year, and of this the parent company will receive 75-105ths, or an even $300,000. This, distributed to the $9,600,000 of paid-up stock, represents 3.1 per cent. a share, or roughly 3 per cent. additional to the 12 per cent. now paid. Of course, it is not necessary for the Laurentide Company to disburse this dividend share to its own stockholders, but it is the current opinion that this will be done in some form, increasing the virtual dividend from 12 to 15 per cent.

But the theories behind the recent rise, and the apparent strong potential strength still remaining, do not stop at this point. As was pointed out several months ago in THE FINANCIAL POST, the directors have been considering the proposal to make a holding company for both the pulp and paper business of the parent company, and the power business of the Laurentide Company. This might be done by trebling the present number of shares, and paying 4 or 5 per cent. to start with, on each, representing 12 or 15 per cent. for the original holdings, with Laurentide Power shareholders coming in for share for share. On Thursday afternoon of this week Laurentide Power was selling at 67, which would represent 201 for Laurentide Company on a three to one basis, but it would require to rise to about 70 to bring the amount approximately to the selling price of Laurentide. The most familiar analogy is that of the Montreal Light, Heat & Power Company, whose shares rose to $240, and the holders of which received three of the new company for one of the old. When Montreal Power stock rose this week to $90 a share the original holders would have received in selling at that figure an equivalent of $270 a share for what cost many originally about $100.

While some speculation has been invited in the rapid rise in the stock the great majority of the purchases are for investment purposes. Big developments in connection with newsprint will be carried out in the near future, and on every side confidence is expressed in the ultimate result of the company's operations.

RAILROAD EARNINGS

Second Week in February Shows Further Increase

During the second week of February, the three Canadian railroads showed gross earnings amounting to $5,376,331 against $3,984,800 for the corresponding period in the previous year, a gain of $1,391,531 or 34.9 per cent. The Canadian Pacific showed earnings of $2,883,000, an increase of $577,000 or 25 per cent. The Canadian National Railways showed a gain for the week of $397,958 or 34.9 per cent., while the Grand Trunk with earnings amounting to $947,889 reported a gain of $416,573 or 78.5 per cent. Following are comparative figures for the week:

Week Ending Feb. 14.

	1919	1918	Change	%
C. P. R.	$2,883,300	$2,306,000+	$ 577,000	25.0
C. N. R.	1,545,442	1,147,484+	397,958	34.9
G. T. R.	947,889	531,316+	416,573	78.5
	$5,376,331	$3,984,800+	$1,391,531	34.9

CANADA MUST DEPEND MORE ON HOME MARKETS

Continued from page 1

and made money out of the other belligerents. It cannot be denied that it would go against the grain for our Canadian lumbermen to see the preference given to those who kept out of the war, and rolled up profits out of supplying the belligerents.

A prominent Canadian who has visited Belgium recently has stated that Belgium is in a better position than any of the other belligerents. While the Germans took a great deal of the machinery out of Belgium and sent it to Germany, yet they cultivated the soil very assiduously. They paid the Belgians with paper money which no doubt they never intended to redeem. The Belgians now have this money and no doubt they will realize the full face value of it. Belgium was overrun so quickly in the early stage of the war that very little damage was done, apart from some of the large centres. These conditions put this country in a particularly good condition for getting back to normal quickly.

Develop Home Market

The view the Canadian end of the trade commission is taking is that the present is a time for Canadians to develop the home markets to the last degree. The trade returns will show that we have paid out hundreds of millions for imported goods in the past which we might be making at home. We must have the most intensive possible cultivation of our natural resources and of our home markets. This means, in turn, that it is foolish to talk wildly of doing away with a protective tariff at such a juncture. Any dealing with the tariff will have to be in the way of correcting abuses of the principle of protection. And that in turn gets around to the question, which will not down of the necessity for a tariff commission, to decide where there are abuses and rectify them. If, as appears to be the case, the home market is the best, if not the only one, which is to be open to us, we must preserve it in order to do as Great Britain and the other countries have done, and give employment to our own people. If this principle is acted upon, and the situation fairly and frankly put before the western people who are urging reductions, they will be found open to reason. The trouble has been in the past that they were dictated to rather than reasoned with.

Great Britain's Example

Great Britain, by imposing restrictions on imports which are nothing more or less than pushing the principle of protection to the extreme, has made the position of the free trader in Canada a difficult one to uphold. With the country which was the very shrine of free trade sentiment going back on the principle radically, there is not much comfort for the free traders left. Protection is no longer a mere trade fetish, it now means exactly what it spells. Canada has to protect herself against every other country in the world, for there is now no place where absolute freedom of trade prevails. "Free trade as they have it in England," today means very high protection, the adoption of restrictions which are almost prohibitive.

The advocate of the protective principle has, therefore, a very strong case to present in parliament, if this issue is forced at the coming session, as we have had frequent warnings it will be. Dr. Michael Clarke will find himself wounded in the house of his old friends. Great Britain has had to adopt the principle because it suits her case best to do so; and the same argument can be advanced very cogently for Canada.—T. M. F.

PUBLIC SERVICE CORP. OF QUEBEC

The first statement to be published by the Public Service Corporation of Quebec, the Shawinigan Water & Power Co. subsidiary which a few years ago bought the old Dorchester Electric, shows a net profit of $66,621 for the year ending December 31st, 1918. This would represent a little better than 4 per cent. earned on the $1,600,000 capital stock, before deductions for reserves. Gross revenue from all sources amounted to $242,335 and expenses and taxes to $150,174, leaving net earnings of $91,621. Interest on the company's $500,000 bonds took $25,000, the balance of $66,621 remaining as net profit being carried forward to surplus, bringing total surplus to $68,759. From this the directors set aside $25,000 to depreciation of plant, $20,000 to reserve account, $4,000 to reserve for repairs, etc. After some minor deductions a balance of $18,159 was carried forward in profit and loss.

MACKAY REPORT IS CONFIDENCE MAINTAINING

Earnings of the Land Lines Alone Almost Enough to Meet Dividend Outlay

SUBSTANTIAL SURPLUS

Idea of Government's Taking Over System Not Popular and Certainly Not Favored By Trustees

Net earnings of Mackay Co. land lines in the year ending January 31, 1919, were $4,230,824.97, which is almost sufficient to cover the dividend outlay on Mackay shares amounting to $4,388,667. This feature of the company's annual report is revealed through the president's statement to the shareholders on behalf of the trustees. Without announced figures in the balance sheet or profit and loss account to estimate from, the deduction inevitably follows that profits from the company's cable lines and other investments must provide a considerable surplus.

In the opinion of the president, the amount, $1,680,000, proffered by Mr. Burleson, Postmaster-General, as annual compensation for the Government's taking over the land lines is wholly inadequate, but in addition to this the president was able to announce that the United States courts had ruled that Mr. Burleson had no authority in any case to fix the amount of compensation. The whole matter of Government appropriation of the land and cable lines of the company remains undecided, but as the president expresses it, the trustees "see no occasion for being disturbed." The taking over of the cables by the Government five days after the armistice had been signed is having attention of the courts. The system still remains in the possession of the company, and its operation, including the receipt of returns for its services and retention of receipts remains precisely as if the Government had not stepped in at all.

After going into the much-disputed and entirely undecided matter of Government ownership which he points out is evidently not well favored by the public of America, the president says:

"This system has been gradually built up during the past thirty-five years, and your trustees have no intention of turning it over to promoters, politicians, and competitors."

The statement of assets and liabilities accompanying the president's report as compared with the corresponding figures for 1917 is as follows:

Assets	1918	1917
Investments	$93,277,977	$92,417,778
Cash	26,574	881,074
	$93,304,551	$93,298,852
Liabilities		
Pref. shares	$50,000,000	$50,000,000
Com. shares	41,380,400	41,380,400
Surplus	1,924,151	1,918,452
	$93,304,551	$93,298,852

Substantial Reserves

Attention is drawn to the substantial reserves accumulated by the company in accordance with the continued policy of the trustees. Their value as maintaining the stability of the investment of the shareholders is emphasized. Expenses of operation had increased during the war conditions, but the outlook for the future is substantially encouraging. The land lines show increased efficiency through the use of telegraphic wires for telephone business, and this extra revenue production is being pursued without effective hindrance in territory where competitive telephone systems are also operating. In his concluding sentences, Mr. Clarence H. Mackay, the president, mentions that the employees of the company continue to show their confidence in the system by their continued and increasing shareholdings therein.

CUTTERS-UP LOOK FOR BIG ORDERS

Have Advice From London of Roumania's Needs — H. M. Levine Leaves for London

The Canadian Government manufacturers have received advice from their representative in London that Roumania, Serbia, and at least part of Blgium, will want to buy largely of shirts, overalls, working pants and the other products made by the manufacturers who constitute this association. To the end of making more certain of this business, H. M. Levine, of Montreal, first vice-president of the Canadian Garment Manufacturers' Association, leaves for London by the Olympic, which is posted to sail Feb. 28.

Mr. Levine takes with him many samples, and is prepared to book orders not only for the product of the members of the Garment Manufacturers' Association, but also for Canadian made cloths, sheetings, etc., which may be required by Roumania and the other countries.

The seeming certainty of big orders from Europe are taken by Canadian cutters-up as meaning they are on the threshold of a year of great activity—larger, rather than smaller, staffs are required, some of these manufacturers say.

HOLLINGER CONSOLIDATED

At the annual meeting of Hollinger Consolidated Gold Mines, held in Montreal on Thursday, it was announced that the board of directors had been reduced from seven members to six, no successor having been appointed to P. E. Robbins, who is now in California. At the meeting the shareholders voted the sum of $30,000 to be paid to the directors for services rendered to the company, and the president reviewed the work of the company for the past year, and satisfaction was expressed at the good progress made, despite the great difficulties under which the company had been working.

A Will Maker's Difficulties

A wise man makes a will; and a will implies an executor. Yet anyone choosing a personal executor must choose either an able man with interests of his own, who can give only his spare time to the estate; or a man who has less than the ability required to administer the property of another.

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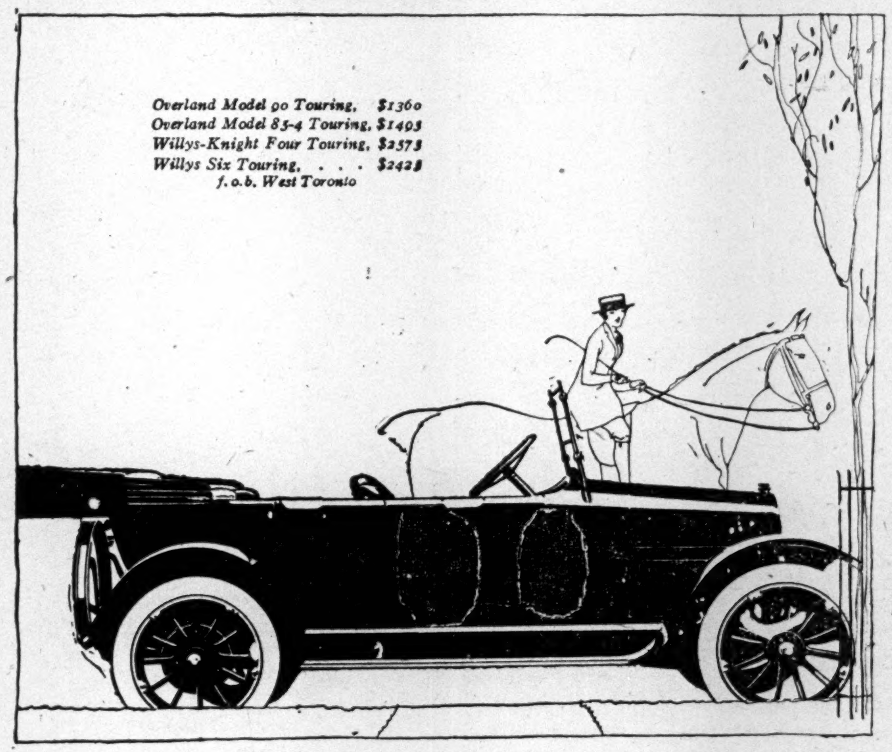

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4% DIVIDEND FOR THE LAURENTIDE POWER COMPANY

The Bright Future Prospects Grounds For Early Declaration

DOUBLE NET REVENUE

Although Earnings on Capital Amounted Only to 2%—"Substantial Guarantee of Future"

The Street was rather taken by surprise by the declaration of a 4 per cent. dividend by the Laurentide Power Company on the occasion of the annual meeting this week. In an ordinary industrial company the surprise would have amounted to a feeling of apprehension, as the net earnings of Laurentide Power for this past year, the second of its history, worked out at an almost exact 2 per cent. on the capital stock, the net profits being $211,767, while the capital stock amounts to $10,500,000. But it should be noted in the first place that no dividend is being paid on the results of last year's operations; the declaration was made for the quarter ending March 31, 1919, the first of the new year, and for this quarter will amount of course only to 1 per cent. (payable on April 15 to record of March 31). Then the directors had behind this declaration the certainty of a large increase in the output of the company this year, some 10,000 horse power to the Shawinigan Company by the first of next July, and another large block to the parent company, the Laurentide Company. The Laurentide Power Company has the advantage of having its whole output taken care of by two companies with which it has most sympathetic business relations, and it is known that the final quarter of 1918 showed about 3 per cent. in earnings relatively. It is the confident belief that during the year 1919 the earnings will well exceed the 4 [illegible] required for the dividends now initiated, which will call for an additional outlay of $420,000 a year.

Big Gain in Net

The final figures as presented to the shareholders at the meeting this week showed gross earnings of $870,393 as compared with $663,858 in 1917, an increase of 31 per cent., while the net income at $211,767 was 102 per cent. in advance of the previous year. The surplus amounted to $162,420 as compared with $56,986 a year ago, and the surplus carried forward was $219,406. The figures for the past few years compare as follows:

	1918	1917
Gross earnings	$870,393	$663,858
Expenses	183,625	84,063
Net earnings	$686,767	$579,795
Interest	375,000	375,000
Dep. reserve	100,000	100,000
Net revenue	$211,767	$104,795
Deduct:—		
Reserves	$100,000	$ 45,558
Income tax	6,333	2,249
Surplus	$162,420	$ 56,986
Add previous surplus	56,986	......
Surplus forward	$219,406	$ 56,986

The Balance Sheet

With a young company still in the development stage the liquid assets are not regarded as so important relatively as with an established concern, where a large and increasing amount on the positive side is considered an essential. The accounts receivable showed an increase of $140,000, while accounts payable were nearly $250,000 larger. The net working capital was almost the same, although the later year had a slight advantage, $107,491, as against $105,867. The different items compare as follows:

Working Capital

Liquid Assets		
Accts. rec.	$256,134	$116,261
Prepaid ch.	10,876	......
Cash	229,136	193,665
	$496,146	$309,926
Current Liabilities		
Accs. payable	$263,144	$ 14,310
Accs. wat. rent	29,428	......
Accs. int.	187,500	187,500
Inc. tax	8,583	2,249
	$388,655	$204,059
Bal. work. cap.	$107,491	$105,867

Substantial Guarantee of Future

The president, J. E. Aldred, in his statement at the annual meeting declared that the increase in income represented substantial additional amounts of power taken under existing contracts, "and it is anticipated that the year 1919 will reflect still further the result of increased demand for power upon the Laurentide Company's plant. The operation of La Loutre storage dam has demonstrated the value of this element in your company's operations, and the effect of this still will be even more important in the future." He added that during the year no increases in capacity had been made, and that additions in the future would be carried out as cost of installation would justify the additional expenditure involved. Operating conditions had been satisfactory, and the progress indicated in the report herewith "gives a substantial guarantee of the future of your company."

The directors were re-elected as follows: J. E. Aldred, president; F. A. Sabbaton, vice-president; George Chahoon, jr., Julian C. Smith, Edwin Hanson, Howard Murray, O.B.E., Charles R. Hosmer, A. A. Tilney, Capt. J. H. A. Acer, with Louis Armstrong as treasurer, and Wm. F. Robinson, as secretary.

The announcement of the dividend started active buying of the stock which is still unlisted, and the price showed a considerable advance.

MERCANTILE TRUST HAD RECORD YEAR

Earnings in Excess of the Best Previous Year, and Reserve Built Up to $100,000

Profits of the Mercantile Trust Co. of Canada for 1918 were the largest in the history of the company, amounting after all deductions to $49,481 or over $9,000 more than in 1917, and nearly $6,000 more than in 1916, the best previous year. With $32,786 brought forward from 1917 and a premium of $205 received from the sale of the company's stock there was $82,472 available for distribution. From this sum deductions were made. Dividends at the rate of 6 per cent. per annum took $29,175; $28,935 was transferred to the reserve fund, bringing it up to the even $100,000 and several small sums were written off office premises, safety deposit vaults, furniture, etc. A balance of $15,546 remained to be carried forward. All these transactions, in comparison with 1916 and 1917 are shown in the following schedule:

	1918	1917	1916
Profits	$49,481	$40,389	$43,790
Bal. forward	32,786	20,997	9,103
Prem. on stock	205	700	135
	$82,472	$62,086	$53,028
Distribution—			
Dividends	$29,175	$28,599	$28,096
Premises	2,145	.....	3,800
Reserve	28,935	700	135
Res. for dep.	3,029	...	...
Written off	2,817	...	...
Patriotic	825	.....	.....
Balance	15,546	32,786	20,997
	$82,472	$62,086	$53,028

On the average paid-up capital for the year earnings were at the rate of 10.2 per cent., which compares with 8.6 per cent. in 1917 and 9.4 per cent. in 1916. On the total investment earnings were at the rate of 8.3 per cent., also a substantial gain. The record in this respect since 1912 is as follows:

Year	Average Capital	Profits	Div.	% Cap.	Earn. *Rate
1918	$486,246	$49,481	6	10.2	8.3
1917	476,660	40,389	6	8.6	7.3
1916	468,290	43,790	6	9.4	8.1
1915	463,000	43,066	6	9.3	7.9
1914	401,000	38,172	6	8.4	7.8
1913	452,100	41,830	6	10.5	9.0
1912	336,100	40,315	6	12.6	11.3

*Percentage of the sum of average capital employed, reserve and balance at credit of profit and loss.

There has been a substantial increase in total assets, these now amounting to $5,625,722, as compared with $5,388,229 in 1917. The gain occurs entirely in the trust account, which has been enlarged by $400,000 from $4,116,674 to $4,516,119. Here the principal change is to be noted in bonds and debentures and in original unrealized assets, the former being up from $365,000 to $447,000 and the latter from $4,116,674 to $4,516,119. Both the capital accounts and the guaranteed account show considerable reduction, the former from $814,539 to $677,009 and the latter from $457,015 to $432,592. The changes since 1913 are as follows:

Year	Capital Account	Guar. Account	Trust Account	Total
1918	$677,009	$432,592	$4,516,119	$5,625,722
1917	714,539	457,015	4,116,674	5,388,229
1916	707,894	400,820	3,926,070	5,034,786
1915	639,950	412,649	3,294,859	4,347,458
1914	619,559	413,136	2,700,150	3,732,846
1913	577,280	483,112	1,365,004	2,425,397

HIGHER TAX ON TEA

Clearly Defined Suggestion of an Increase of Five Cents a Pound

There is a rumor that is gaining credence among the grocery trade that tea will again be in the list of those products appearing on the budget list. It is impossible to trace the source of the rumor, but there is a very clearly defined suggestion that another 5 cents a pound tax is likely to be levied on stocks of tea, in order to help in raising the necessary revenue. This would bring the tax to 15 cents a pound. There is a feeling among certain of the trade that this advance would not remedy matters much, as it would make tea practically prohibitive in price to the poorer people, and consequently limit consumption. On the other hand it is urged that declines are about due, and that such a tax would merely offset such declines without increasing costs. This tax imposed on the forty million pounds of tea imported into Canada would mean a revenue of approximately two million dollars.

WOODS MFG. CO. DID BUSINESS OF TWELVE MILLIONS

Profits Worked Out at 7 Per Cent. Sales, 29 Per Cent. Stock

A SAFE INVENTORY

Taken at $1,000,000 Below Present Market Values—No Chance of 10% Dividend Until Year Ends

By Resident Representative

MONTREAL.—The annual meeting of Woods Mfg. Co. brought the interesting announcement from the president, Lt.-Col. J. W. Woods, that the business of the company, during the past year, had exceeded $12,000,000. Coupled with this was the confident statement that the outlook before the company during the year 1919 was a bright one, and the company was turning out basic products that were dependent on peace, not war activity. A large portion of this consists of bags wherewith to handle the grain crops of Canada.

Good Profits From Subsidiary

Another cause for satisfaction to the shareholders that was referred to briefly in the wire sent last week, was that the Renfrew Knitting Mills had been disposed of at a good profit. For what the Woods Mfg. Co. paid $100 a share, they had sold for $225 a share. In addition they had received a dividend of 40 per cent. during the past year, which, with an allowance for interest on the investment, would leave a profit of at least 150 per cent. for the short period during which the company held and operated the mill. The purchase in the first place had been carried out in order to assure a supply of tarpaulin, blankets, etc., goods that were becoming very scarce a couple of years ago, and continued to reach an even more acute position as the war dragged on. Now that conditions were improving the company had not such need for control of this mill, and had decided to sell as this business was a little outside their regular activities. At the same time provision had been made for the Woods Company to receive first call on the output of the Renfrew Knitting Mills in the future.

Best Year in History

The past year the president declared was the most successful in the history of the company. The net profits of $842,000 worked out as a percentage of 7 on the total sales of the company. The property and plants were in excellent repair, and in a position to secure greater efficiency during the reconstruction period. The company had bought $300,000 of Victory bonds. The past year had been so successful that a bonus of 5 per cent. had been paid on the common stock, and a bonus paid also to the officers and employees of the company. The rest account, with the addition of $200,000 this past year now amounted to $500,000.

Conservative Appraisal

The president made an important announcement in regard to the appraisal of the company's inventories at a time such as the present, when the question of lower prices, and therefore a depreciation in earlier valuations comes to the fore. A special appraisal had been made and it was found that the replacement value was over $1,000,000 more than amount set down in the books. It was recognized that high prices would not continue, and the valuation was taken in at normal figures. In the case of insurance policies, however, the company had been protected on the higher prices in effect at the time.

Dividend Policy

Reference was made by the president to the dividends of the company. The directors, he said, had met and declared the same dividend as before on the common stock, namely 1¾, at the rate of 7 per cent. a year. Col. Woods left the impression that nothing further would be done towards increasing the dividend until the results of the new year's operations were fully known. There had been an expectation for some time last fall, of an increase to ten per cent., and the stock rose to 98 as a result, from a low of 57½ during the year. After the regular 7 per cent. had been declared, even with the bonus of 5 per cent., the stock dropped about 15 points and held to this level for several months. Trading since has been very light.

WOULD ELECTRIFY ROAD

Hydro-Electric power, supplied to Prince Edward County consumers, costs considerably more than it should in opinion of the users of it, and in order to reduce the price a movement is on foot to create larger consumption of power by having the Central Ontario Railway converted to Hydro power. This, it is estimated, would add 800 H.P. to the present maximum consumption of 300 H.P. for Picton, Wellington, and Bloomfield, and would bring about the desired reduction in cost of power to individual consumers.

Profits by Ideas from Business Libraries

IN many a well-built business library are found the secrets of business success. Your business library need not be big, but it should cover that important branch of business—

CREDITS AND COLLECTIONS

Here are some suggestions in that direction:—

New Collection Methods
By Prof. E. H. Gardner, Author of "Effective Business Letters." July, 1918. 486 pages. Cloth, $4.00.

The Art of Collecting
By R. J. Cassell, Collection Manager, Grinnell Bros., Detroit. Fourth printing 1915. 261 pages. 6 x 8¾. Cloth binding only. $2.00.

Credit, Its Principles and Practice
By Benjamin H. Blanton. 1915. 319 pages. 6 x 8¾. Cloth binding only. $2.00.

Mercantile Credits
By Care, Elliott, Flatau and others. 1914. 288 pages. 6 x 8¾. Cloth binding only. $2.00.

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Reserve Fund 5,500,000.00
Unappropriated Profits ... 172,509.77

Capital and Surplus $11,822,509.77

DEPOSITS RECEIVED
DEBENTURES ISSUED

Associated with the above corporation and under the same direction and management is

The Canada Permanent Trust Company

incorporated by the Dominion Parliament. This Trust Company accepts and executes Trusts of every description, acts as Executor, Administrator, Liquidator, Guardian, Curator, or Committee of the Estate of a dunatic, etc. Any branch of the business of a legitimate Trust Company will have careful and prompt attention.

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THE FINANCIAL POST IN MONTREAL

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Route Your Shipments
CANADIAN NATIONAL

SHAWINIGAN CO. SHOWS 28% GAIN IN 1918 OUTPUT

Higher Expenses Reduced Net Gain to Four Per Cent.

8.8% ON THE COMMON

Lower Than in 1917 Owing to Increased Capital—Earnings of $3,621,074—Brighter For 1919

The annual report of the Shawinigan Water & Power Company covering the year 1918 showed a very promising increase in the revenue of the company, the earnings being $3,621,074 as compared with $2,902,210 one year ago, an increase of $718,864, or 24 per cent. advance. The reverse side of the statement to some extent comes in the form of largely increased expenses of operation, including labor and materials, some of which have trebled and quadrupled in price, with the result that the net earnings did not hold any large portion of the increased gross. After allowing for these charges and depreciation, the net revenue amounted to $1,410,093, an increase of $59,229, or a little over 4 per cent. Owing to the fact that the capital stock rose from $15,000,000 to $16,342,500, the percentage earned on the stock works out at a little less than in 1917, namely 8.8 per cent., as compared with 9 per cent. of that year. Had the capital stock remained the same this past year the percentage would have been 9.4 in place of 9 per cent. Or putting it another way, had the capital stock one year ago been as much as now the earnings of 1917 would have figured out at 8.63 per cent. The dividend paid is 7 per cent. a year.

Good Outlook

The showing of the company, a lower percentage of earnings on a higher capitalization, resulted in a weakening of the position of the stock temporarily, at least on the Exchange, for it lessened the prospect of an increase to 8 per cent. in the near future. However there is abundant opportunity for cheerfulness on the part of the shareholders in the year 1919. There is a certainty of a considerable reduction in the cost of operation, already in effect in the drop of metals. In addition there is a reasonable surety of developments in the output of power, one of the prospects being the new mill of the International Paper Company planned for Three Rivers. THE FINANCIAL POST was informed that the company intended to take 10,000 extra horsepower from the Laurentide Company, as provided in the agreement in July, and that customers for this were fairly sure. The strongest factor about a power stock, moreover, under normal conditions such as are expected to return shortly, is that after the heavy initial costs of development, a large increase in the sale of power can be made with little extra cost. Thus the operating costs do not keep pace with the increased income, leaving the net earnings often growing faster relatively than the gross. The increase during the past year in the company's output was 12 per cent., the total kilowatt hours generated being 1,058,127,769.

The profit and loss figures for the last three years show little change in the ordinary items. These were as follows:

Profit and Loss Account

	1918	1917	1916
Gross earn.	$3,621,074	$2,902,210	$2,325,872
Expenses	1,286,021	752,842	427,927
Net earn.	$2,335,053	$2,149,367	$1,897,944
Interest	824,959	698,503	544,208
Dep. reserve	100,000	100,000	100,000
Net revenue	$1,410,093	$1,350,864	$1,253,736
Deduct—			
Dividends	$1,077,527	$1,050,000	$ 989,006
Reserves	265,000	260,000	242,141
Pension fund	5,000	5,000	5,000
Income tax	75,000	50,000	......
Total deduct.	$1,422,527	$1,365,000	$1,236,147
Surplus	17,710	*14,136	17,859
Prev. surplus	30,143	44,279	26,690
Surplus forward	$ 47,853	$ 30,143	$ 44,279

*Drawn from reserves.

With the various developments in progress in connection with the subsidiary and other plants surrounding Shawinigan Falls, the liquid position of the company might not be expected to improve for the time being, and this was the case; where the net working capital amounted to $2,215,602 one year ago, there was a slight decline to $1,830,586 this year. Accounts and bills payable increased some $400,000, while accounts and bills receivable and cash remained about the same. The two years compare as follows:

Working Capital

Liquid assets	1918	1917
Accs. and bills rec.	$2,891,543	$2,857,876
Cash	304,847	289,339
	$3,196,390	$3,147,315
Current Liabilities—		
Accs. and bills pay.	$ 955,214	$ 544,213
Div. and int.	410,591	387,500
Total liabilities	$1,365,804	$ 931,713

*No account is taken here of reserve for war tax of $125,000 in 1918 and $75,000 in 1917.

Changes in Balance Sheet

The balance sheet shows several changes during the year. An item of $2,500,000 of 5 per cent. two-year notes was retired last October, and in place of these is an amount of $3,582,900 6 per cent. convertible notes. It is stated that of the original amount of $4,500,000 there have been converted $917,100, and it is expected that the balance will be exchanged also for stock of the company before maturity. During the year there was sold $500,000 of the common stock at a figure announced as satisfactory. This caused one of the shareholders at the annual meeting to inquire why these had not been offered to the shareholders. To this Mr. Aldred replied that the amount was so small and it would have been necessary to have made special arrangements to overcome the British regulations so that the shareholders there would have been able to participate. Since the end of the year $300,000 more of the notes have been converted, bringing the total to over $1,200,000.

Demand for Power Keeps Up

Mr. Aldred referred to the action of the Quebec Government in connection with the building of La Loutre Dam, declaring that this enabled the flow of the river to be maintained at an increase of 50 per cent. over previous conditions. The ending of the war had not affected appreciably the demand for power outside Montreal, although it had temporarily stopped new enterprises, and it would be several months before any new enterprises would demand power. He declared that the large power users in the chemical and electrical furnace industries would continue to operate their plants, thus removing some apprehension that was felt among many of the shareholders at what would be the after-the-war demand for power from Shawinigan.

The president in his review of the various associated undertakings explained that the ending of the war put an end to the construction of the American Electro Products Co., Limited, but the expenditures were covered by advances, and in time the plant could be utilized for other purposes. The Canadian Ferro Alloys Co. was using 6,000 h.p., and expected to increase this amount. Development of the power at Gres Falls, owned by Shawinigan, will not be proceeded with at present. This would have a capacity of 100,000 h.p., and would take about two years to construct.

Saved Millions to Allies

A notable statement was made in regard to acetic acid, produced by the Canadian Electric Products Co. The production of this product, both in the United States and in Canada, resulted in a practical control of the world's markets, which was rising sharply and making necessary large expenditures by the British Government. "As a result of this company's efforts the price was fairly pegged, resulting in a saving of millions of dollars to the Allies in war account." This statement was vigorously applauded.

Henry J. Fuller on Board

One change was made on the Board, Henry J. Fuller, New York, replacing Sir M. Mitchell-Thomson, Bart., who had died. The other members consist of J. E. Aldred, president; Thos. McDougall, chairman of the Board; Howard Murray, O.B.E., vice-president; Julian Smith, vice-president, and chief engineer; Sir Herbert Hall, R. M. Aitken, W. S. Hart, R. W. Kelley, Col. Geo. Murphy, C.M.G.; M. J. Curran (Boston), and E. R. Wood.

Dominion Power and Transmission Co., Limited

HEAD OFFICE : HAMILTON, CANADA

DIRECTORS:

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W. C. HAWKINS LLOYD HARRIS CHARLES E. NEILL CYRUS A. BIRGE
WILLIAM E. PHIN ROBERT HOBSON JOHN DICKENSON

President: LIEUT.-COL. J. R. MOODIE Vice-President: CYRUS A. BIRGE
Treasurer: JAMES DIXON
Managing Director and Secretary: W. C. HAWKINS
General Manager: E. P. COLEMAN
Bankers:
HARRIS FORBES & CO., New York CANADIAN BANK OF COMMERCE
Solicitors: GIBSON, LEVY & GIBSON
Auditor: C. S. SCOTT, F.C.A.

ANNUAL REPORT

In submitting their Annual Report for 1918, the Directors have no hesitation in saying that the past year has been in many ways a trying one. Cost of labor and material has been increasingly burdensome. The epidemic of Influenza had during the latter part of the year a very adverse influence in the traffic of the Railways. On the other hand we can point to substantial increase in gross earnings and to the very important fact that the Company's response to the war demand for power was completed with entire satisfaction to Customers. Reserves and Profit and Loss Accounts have been brought up to the substantial total of $3,137,811.94, the additions for the year being the sum of $163,836.07. No new securities have been issued, while outstanding bonds to the amount of $134,000.00 have been retired.

The Steam Power Station has at many times during the year given evidence of its value. The effect of this installation on continuity, steady voltage, and facility of maintenance of the whole system, has proven to be so marked that the service may be regarded as being in a separate and distinctly higher class as compared with that of ordinary long distance transmission systems without supplemental steam generation.

The Hamilton Radial Electric Railway, a subsidiary of the Hamilton Cataract Power, Light & Traction Company, which, owing to insufficiency of rates, has never even paid its way, has been endeavoring to obtain such an increase of rates as would permit the continuation of its operation. But, though all the other Municipalities are willing to make concessions and to leave the adjustment of rates to the Dominion Railway Board, a section of ratepayers in Burlington succeeding in blocking action, causing great inconvenience not only to the other Municipalities but to the majority of their own citizens.

Statement of the results of the year's business, together with the Auditor's Certificate, are presented you herewith.

Respectfully submitted,

WM. C. HAWKINS, Secretary. J. R. MOODIE, President.

Hamilton, Ont., 17th February, 1919.

ANNUAL STATEMENT

FOR YEAR ENDING 31st DECEMBER, 1918.

Being a Statement of combined results of Operations of the Company and its Subsidiary Companies.

EARNINGS AND EXPENDITURES

Gross Earnings	$3,204,644.73	
Operating Expenses	2,044,467.73	
	$1,160,177.00	
Transferred to Maintenance and Renewal Account	58,992.81	
		$ 1,101,184.19
Bond Interest and Interest		436,912.93
		$ 664,271.26

PROFIT AND LOSS

1918			
Jan. 2nd.	Balance from 1917		$ 723,963.26
"	Surplus Earnings, 1918		664,271.26
"	Bad Debts written off	$ 1,208.40	
"	Dividends	533,993.00	
"	Balance	853,033.12	
		$1,388,234.52	$1,388,234.52

ASSETS

1918		
Dec. 31st.	Properties	$23,169,766.57
"	Hamilton Hotel Co., Limited, Stock	20,000.00
"	Victory Loan Bonds	100,000.00
"	Bonds Purchased for Sinking Funds	7,498.05
"	Accounts Receivable	174,013.80
"	Stores on Hand	265,868.08
		$23,737,146.00

Approved on behalf of the Board:
LIEUT.-COL. J. R. MOODIE,
WM. C. HAWKINS,
Directors.

LIABILITIES

To Public

1918			
Dec. 31st.	Accounts Payable		$ 133,023.53
"	Bond Interest Accrued		108,639.15
"	Insurance Accrued		26,508.55
"	Bank Overdraft		371,003.83
"	Bonds, including Outstandings of Subsidiary Corporations issued	$9,464,000.00	
"	Bonds Redeemed	1,030,000.00	8,434,000.00

To Shareholders

Dec.	[illegible]pital Stock, Cum. Pref.	$3,681,100.00	
"	[illegible]pital Stock, Ordinary	7,714,500.00	11,395,600.00
	[illegible]ends Payable 15th January, 1919		130,559.00
	[illegible]nance and Renewal Accounts, Balance, 1917	500,012.61	
	[illegible]nance and Renewal Accounts, Charged, 1918	58,992.81	
		559,005.42	
	[illegible]d, 1918	24,226.60	
		534,778.82	
	[illegible]	1,750,000.00	
"	[illegible]ss	853,033.12	3,137,811.94
			$23,737,146.00

Hamilton, February 7th, 1919.

I here[illegible] have audited the books and accounts of Dominion Power and Transmissi[illegible] Limited, and also those of its various Subsidiary Companies, for the year ended [illegible] 1918, and that they have been correctly kept.

The State[illegible] of Earnings and Expenditures, Profit and Loss and Final Balance Sheet, which I have [illegible]rtified, correctly set forth the affairs of the Company as shown by the books.

C. S. SCOTT, F.C.A., Auditor.

GOOD RESULTS FOR MARITIME PROVINCE COS.

New Stock Issue Authorized by Maritime Telegraph and Telephone

TRUST CO.'S SHOWING

Atlantic Underwear is Prosperous and Nova Scotia Clay Works Surprises Shareholders by Its Earnings

By Special Representative

HALIFAX.—The Maritime Telegraph and Telephone Company's annual meeting, so spectacular a year ago, was quietness itself this year. The directors' report and the financial statement showed a prosperous year, with a heavy increase in business and inability of the company because of labor and physical conditions to keep pace with it. The increase in the number of telephones would have been double what it was had the company been able to fill all the orders. The net revenue available for dividends was $125,468, and the surplus on the year's operations was $7,695. The surplus at the end of 1917 was $52,688, but owing to the refund of profit on the sale of Prince Edward Island shares when repurchased, and the Provincial Government tax, the total surplus this year is reduced to $25,543, after adding the amount of $7,695.

The shareholders, at a special general meeting held immediately afterwards, adopted a resolution favoring the issue of 100,000 cumulative 7 per cent. shares of a par value of $10. This additional capital will not likely be required this year, the proceeds of the balance of the last issue, amounting to $283,000 being available for this year.

Eastern Trust

The Eastern Trust Company statement shows a healthy condition of that corporation, whose assets have grown during the year from $19,499,033, to $22,342,136, and whose reserve fund increased from $250,000 to $300,000. The Eastern Trust has passed its twenty-sixth milestone under the guidance of the general manager, Col. B. A. Weston. The paid-up capital when the company began in 1893, was $26,400, and the amount of estates held in trust was $41,860. Ten years later, when a reserve first made its appearance, the paid-up capital was $125,000, and the assets $1,938,942. For the year under review the net profits were more than the capital fifteen years ago. The directors have declared a dividend of 9 per cent.

Atlantic Underwear

The statement of Atlantic Underwear Limited shows profits for the year of $79,991. The company is only six years old, but besides its preferred dividends it paid 7 per cent. on the common stock. In this connection the directors say:

"Owing to the sound financial conditions of the company, your directors considered it possible to pay a dividend of 7 per cent. on the common stock for the past year. Whether this rate can be sustained or not in the future they are unable to forecast at the present time."

President F. W. Sumner proceeds, lending caution with a measure of optimism.

"The drygoods markets all over the world are depressed owing to peace adjustments, and the unsettled conditions of labor. As a result, orders are slow coming in, but we have the assurance that the high reputation in which our products are held will insure our getting a good share of whatever business may be placed during the current year.

"While there are many difficulties to face, we view the future with optimism, confident that the resource and initiative displayed in the conduct of our affairs during the past difficult years will be sufficient to surmount the obstacles to success ahead."

The annual meeting will be held on February 25.

Nova Scotia Clay Works

The Nova Scotia Clay Works Ltd., sends out a statement that the most sanguine would hardly have predicted two or three years ago, for the company in its seven years has had a hard pull. The profit and loss account shows a credit balance of $13,929 after paying land interest and the sinking fund requirement, $11,000 altogether. President R. L. McDonald points out that only two plants were operated, those at Pugwash and Elmsdale. He says that during the five and a half months they were in operation, 9,724,220 stock brick were manufactured, and up to December 31, 7,346,950 of this make were shipped. The stock of brick on hand December 31, has all been sold for early spring delivery at a price to offset the increased cost of production, and a considerable quantity of the 1919 output has been sold as well. The prospects for 1919 appear encouraging, and with the return of pre-war conditions in the building trade, and a more favorable labor and coal situation, the directors profess confidence that the bonded debt of the company will soon be provided for, and the company placed in a position to resume payments on its preferred stock.

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11 COLBORNE ST. TORONTO CANADA

Wills Should be Kept in a Safe Place

A will should be kept in a place where it will be easily found on the death of the Testator, yet where it will not be subject to the hazard of destruction by fire or by agencies interested in its disappearance.

THE MONTREAL TRUST COMPANY will hold in safe-keeping, free of charge, all wills appointing it as Executor. Access can be had as frequently as desired.

Montreal Trust Company
Sir Herbert S. Holt, President A. J. Brown, K.C., Vice-Pres.
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MONEY AND BANKING

W-S-S

The Dominion of Canada seeks your co-operation in the popularizing of

War Savings Stamps

First—W-S.S. will enable the Government to raise millions of dollars to be used for Reconstruction. Second—It promotes THRIFT among the masses and educates people to buy bonds.

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CAPITAL PAID UP $7,000,000 | RESERVE FUND $7,000,000
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THE MANAGER, BOND DEPARTMENT
Toronto

62

$3,000,000

Province of British Columbia

20 Year $5\frac{1}{2}$% Gold Bonds

SEALED tenders, endorsed "TENDERS FOR THE PROVINCE OF BRITISH COLUMBIA BONDS" addressed to the undersigned at the Parliament Buildings, Victoria, B.C., will be received for the purchase of Three Million Dollars ($3,000,000) Twenty Year sinking fund Gold Bonds of the above Province, to be dated March 5th, 1919, bearing interest at the rate of 5½ per cent. per annum, payable half yearly on the 5th day of September, and 5th day of March. Principal and interest payable in gold at the Canadian Bank of Commerce, Victoria, B.C., Toronto, Ontario, and Montreal, Quebec, and at the Agency of The Canadian Bank of Commerce, New York, U.S.A., at the option of the holders.

Bonds to be in denomination of $1,000, $500, and $100 in amounts to suit the purchaser, with coupons attached, and may be registered as to principal only.

Payment of bonds with accrued interest to date of payment to be made at the Canadian Bank of Commerce, Victoria, B.C. Full payment at Victoria, B.C., on delivery of interim securities. Interim securities will be supplied to be exchanged for definite bonds on completion.

Tenders to be addressed to Hon. John Hart, Minister of Finance, Parliament Buildings, Victoria, B.C., and delivered not later than noon on Monday, the 3rd day of March, 1919.

Each tender must be accompanied by a marked cheque for $50,000.00. The cheque of the successful bidder to be retained, and applied as part payment for the bonds. Other cheques to be returned immediately.

Alternative bids will be considered for bonds running for five years.

The highest or any bid, not necessarily accepted.

JOHN HART,
Minister of Finance
for
The Province of British Columbia.

Victoria, B.C., February 19th, 1919.

Your Income Feels

the effects of important events upon business conditions in Canada. Whether you are an investor in Canadian securities, or a business man conducting your concerns for profit, knowledge of Canadian conditions and all that affects Canadian conditions counts for cash to you. From the press you learn what is happening in the Dominion, but you would have to wade through masses of print to get every aspect of the events you know are bearing upon your financial interests and the daily papers, edited for masses, cannot take space to analyze business conditions. A concise analysis of the situation would save you time. You can get that from THE FINANCIAL POST OF CANADA. Editors who are specialists in discovering and presenting readably the pith of affairs affecting Canadian business. These experts are at your service in THE POST. Let them save you time and perhaps money, also. Send for a trial subscription to THE POST. Pin a dollar bill to this ad. and mail it with your name and address for a four months' subscription to

THE FINANCIAL POST OF CANADA
153 University Avenue, Toronto

MUST PAY DAMAGES

The Appellate Division has dismissed the appeal of the Imperial Steel & Wire Co., Ltd., of Collingwood, from the decision of Mr. Justice Sutherland, awarding Rownson, Drew & Clydesdale, of London, Eng., $9,600 and costs for alleged breach of contract for the sale to the plaintiffs of 1,200 tons of wire nails. The agreement was made on July 24th, 1915, and on August 20th it was repudiated by the defendants by cable. They alleged that no one with authority to make the contract had done so.

WESTERN CITIES CONTINUE TO SHOW A FALLING OFF

Eastern Cities Show An Increase of 25.8 Per Cent.

DOMINION GAIN, 16%

Out of a Total of Twenty-five Cities Reporting, Only Seven Show Lower Returns—Montreal Gains 27.2%

For the week ending Thursday last returns of bank clearings from twenty-five cities show a total of $253,465,970 as compared with $225,309,375 in the previous week and $217,131,221 for the corresponding period of 1918. The gain over last year's figures is $36,334,749, or 16.7 per cent. Hamilton, Sherbrooke, Winnipeg, Calgary, Fort William, Brandon and Medicine Hat show decreases. In the East there is a gain of $39,001,950 or 25.8 per cent. Toronto, with clearings amounting to $68,858,781, reports a gain of 28.4 per cent., while Montreal, with a total of $94,577,583, shows an increase of 27.2 per cent. St. John shows the largest percentage gain in the East with a gain of $858,056, or 46.3 per cent.

In the West there is a falling off of $2,667,201 or 4 per cent. Winnipeg, with clearings amounting to $34,516,048 shows a decline of $5,154,408, or 13 per cent. New Westminster reports the largest percentage gain with clearings at $486,578, a gain of 67 per cent. Following are comparative figures:

WEEKLY BANK CLEARINGS
(In comparison with same week last year)

Eastern Cities

	Feb. 20, '19	Change	%
Montreal	$ 94,577,583	+ $20,262,380	27.2
Toronto	68,858,781	+ 15,256,799	28.4
Ottawa	5,768,927	+ 285,152	5.2
Hamilton	4,682,299	— 70,021	1.4
Quebec	4,276,048	+ 891,240	26.3
Halifax	3,843,797	+ 892,529	30.7
London	2,273,638	+ 357,113	18.7
St. John	2,710,684	+ 858,056	46.3
Brantford	862,683	+ 121,292	16.3
Peterboro	693,870	+ 110,936	19.1
Sherbrooke	732,572	— 107,616	12.8
Kitchener	681,661	+ 144,090	26.8
Total, East	$ 189,962,543	+ $39,001,950	25.8
Windsor	1,163,319		

Western Cities

	Feb. 20, '19	Change	%
Winnipeg	$ 34,516,048	— $ 5,154,408	13.0
Vancouver	10,196,625	+ 1,730,659	20.4
Calgary	5,060,312	— 848,558	14.3
Edmonton	3,274,769	+ 257,231	8.5
Victoria	2,065,231	+ 403,073	24.3
Regina	3,078,807	+ 542,083	21.4
Saskatoon	1,433,908	+ 43,152	3.1
Moose Jaw	1,482,442	+ 375,280	34.0
Ft. William	537,178	— 58,398	9.8
Brandon	440,824	— 49,509	10.1
Lethbridge	626,050	+ 84,498	15.6
N. Westminster	486,578	+ 194,476	67.0
Medicine Hat	304,656	— 186,779	38.0
Total, West	$ 63,503,427	— $ 2,667,201	4.0
Grd. Total	$ 253,465,970	+ $36,334,749	16.7
Yr. to date	$1,898,596,803	+ 294,817,943	18.4
Prince Albert	314,788		

EXCHANGE

The market for New York funds has been somewhat jerky this week. Buying has been largely for immediate requirements, but buying power has been good and the rate has held up well. The course of the market has been as follows:

Feb. 14—Open 1 61-64; sold to 1 31-32 to buyer; closed 1 15-16 to seller.

Feb. 15—Open 1 15-16 to seller and buyer; down to 1 29-32 to seller.

Feb. 17—Open 1 15-16 to buyer; down to 1 29-32 to seller and buyer; close 1 29-32 to buyer (1 7-8 in Montreal).

Feb. 18—Open 1 7-8 to seller; close 1 29-32 to buyer.

Feb. 19—Open 1 29-32 to buyer, then 1 7-8 to seller; close 1 29-32 to seller.

Feb. 20—1 29-32 to buyer and seller.

Feb. 21—1 29-32 to seller.

Demand sterling opened at 4.75¾ and fluctuated between that figure and 4.7572½. Cables held at 4.76 7-16.

Francs opened at 5.45¾ for cheques and 5.45⅛ for cables, and closed softer at 5.45⅞ and 5.45 3-16.

ROYAL

A report from Vladivostok states that L. D. Wilgress, Canadian Trade Commissioner in Siberia, has resigned and intends to enter the services of the Royal Bank of Canada.

A branch of the Royal Bank will shortly be opened at the corner of Cedervale and Danforth Ave.

COMMERCE

It is announced that the Canadian Bank of Commerce has purchased a site upon which to erect a new branch bank building at the corner of Lansdowne and St. Clair Avenues. Temporary premises have been engaged at 1350 St. Clair Ave., where a branch will be opened for business shortly.

A. E. Bailey, who has been accountant of the Richmond branch of the Canadian Bank of Commerce for several years, has been transferred to Bury, where he will open a new branch of the bank.

Nearly 230 employees of the Canadian Bank of Commerce have been killed in battle out of more than 1,700 employees enlisted.

Jacob Fuller, who has been manager of the Thedford branch of the Bank of Commerce since it opened a branch there, has been granted a leave of absence for a year and then will be retired on a pension. Mr. Fuller still retains the rank of manager.

The Canadian Bank of Commerce recently announced the opening of a number of new branches. A branch has been opened at Grancis colony in the St. Lawrence, the historic islands St. Pierre-Miquelon and is in charge of W. J. Church. At Sedgewick, Alta., a branch has been opened under the management of J. D. Burpee, while a branch at Niagara-on-the-Lake has also been opened in charge of F. W. Wilson. Three branches in Toronto have just been opened, one being at Vaughan Road and Oakwood and two branches on Danforth, at the corners of Greenwood and Woodbine Avenues.

IMPERIAL

Announcement is made that the Imperial Bank of Canada has, during the week, opened a new branch at St. Clair Ave. W., corner of St. Clair and Boon Avenues.

The Imperial Bank of Canada announces the opening of two additional branches at Hepburn, Sask., and Fielding, Sask.

MERCHANTS

The Merchants Bank of Canada opened on February 15th a new branch at Fingal, Ont.

DOMINION

The Dominion Bank announces the opening of a new branch of the bank at Niagara Falls, Ont., on February 17.

BANK OF ENGLAND

The weekly statement of the Bank of England shows the following changes:

Total reserve, increased	£ 416,000
Circulation, decreased	266,000
Bullion, increased	150,267
Other securities, increased	849,000
Public deposits, increased	2,522,000
Other deposits, increased	1,712,000
Notes reserve, increased	350,000
Government securities, dec.	445,000

The proportion of the bank's reserve to liability this week is 20.58 per cent.; last week it was 20.40 per cent.

Rate of discount, 5 per cent.

TORONTO

Joseph Henderson, vice-president of the Bank of Toronto, was recently presented with a golden loving cup mounted on onyx as a mark of appreciation of the services rendered the bank on the occasion of his completion of fifty years in its service. The presentation was informally made by the president, W. G. Gooderham, on behalf of the directorate. Mr. Henderson, who was born in Hamilton, entered the service of the Gore Bank of that place in 1864. After remaining with the same for five years, he joined the staff of the Bank of Toronto, of which he was subsequently manager at St. Catharines and Cobourg successively. For some years he filled the position of inspector, afterwards becoming assistant general manager, from which position he retired in 1911. Mr. Henderson is also a director of the Canadian Mortgage Investment Co., vice-president of the Canadian Shredded Wheat Co., director of the Confederation Life Assurance Co., and a director of the Victoria Rolling Stock Co.

He was the recipient of many congratulatory remarks on the occasion of his golden jubilee.

UNION BANK CHANGES

Three Promising Young Bankers Appointed Agents at New York

Consequent upon the recent appointment of Geo. Wilson, senior agent of the Union Bank of Canada, in New York City, as an assistant general manager at Toronto, important changes are announced for the New York agency, this week. W. J. Dawson, F. L. Appleby and W. M. Forrest have been appointed agents.

Mr. Dawson was manager of the Hamilton, Ont., branch for some six years immediately prior to his transfer to New York. Mr. Appleby was a member of the original staff of the New York agency, which was established in 1917, he being given the appointment as manager of the foreign exchange department, a position he held at one time in both Montreal and Toronto. Mr. Appleby was superintendent of foreign agencies, at Winnipeg prior to going to New York. Mr. Forrest was on the staff of the Union Bank, at Toronto, Ottawa and Montreal.

Mr. Wilson, who is now in the Orient on a banking mission in connection with the establishment at Yokahama, Japan, of the Union Bank's new formed foreign trade subsidiary is not expected to return to Canada until the late spring.

RIORDON MAY GET 100% DIVIDEND

Big Earnings of Ticonderoga Likely to be Distributed—Exporting Overseas

The time is approaching when the Ticonderoga Pulp & Paper Co., owned by the Riordon Pulp & Paper Co., is due to declare its usual big dividend, which last year amounted to 120 per cent. This year, it is said, it will be an even 100 per cent., and this may have led to the movement in Riordon of nearly 5 points up to Thursday night.

In addition the company has had an excellent year and will show impressive profits. Better shipping facilities will enable the company shortly to ship large quantities of pulp overseas. Business with the States is holding up splendidly and prices for fine pulp are firm.

THE

Capital Life Assurance Company OF CANADA

Head Office - Ottawa

Total Cash Income	$ 196,651.25
Total Assets	487,448.26
Reserves for Policyholders	337,222.00
New Assurance Issued	1,032,624.00
Net gain in amount in force	632,839.00
Total Assurance in force	4,500,000.00
Rate of interest earned	6.58%

BALANCE SHEET AT 31st DEC., 1918

LIABILITIES

Net Reserve on Policies	$337,222.00
Death Claims awaiting proof	14,675.00
Due or accrued for office and other expenses	12.23
Accrued Taxes	2,085.35
Premiums paid in advance	218.40
Investment reserve	2,701.65
Capital Stock paid-up	129,285.00
Items in suspense	234.00
Surplus over all Liabilities and Capital	1,014.63
	$487,448.26

ASSETS

Mortgages on Real Estate	$ 68,000.00
Government and Municipal Bonds (book value)	277,378.67
Cash in Banks and at Head Office	80,211.45
Loans on policies	17,140.53
Interest accrued	6,236.69
Interest due	889.88
Premiums outstanding and deferred (less cost of collection).	34,497.22
Office furniture and fixtures	3,093.82
	$487,448.26

Full Annual Report Furnished on Request.

Sale of Pulpwood Lands in Northern Ontario

The Lake Superior Corporation and Algoma Eastern Railway Company are open to negotiate for the disposal of certain lands

Approximately 682,000 Acres

situated for the most part in that section of Northern Ontario known as the Clay Belt, and comprising the Townships of Storey, Langemarck, Dowsley, Nassau, Shetland, Staunton, Orkney, Magladery, Caithness, Rykert, Doherty, Whigham, Coppell, Newton, Dale, McOwen, Frater.

The lands in question are accessible to the Algoma Central, Trans-Continental, Canadian Northern, and Canadian Pacific Railways, and should be of particular interest to pulp and paper makers, also to settlers, in view of their agricultural possibilities.

General information will be furnished and plans exhibited at the office of Mr. Alex. Taylor, secretary of the Lake Superior Corporation, 1428 Bank of Hamilton Building, Toronto, or at the office of Mr. G. A. Montgomery, vice-president of the Algoma Eastern Railway Company, Sault Ste. Marie, Ont.

GREAT BUILDING ACTIVITY IN LONDON

Theatres, Stores, Factories and Homes Under Way—The Details Outlined

London, Ont., is experiencing the greatest building boom it has had in many years. London's growth has been of the slow, steady, variety, but this year there are projects already under way which will run into the big end of $5,000,000.

The establishment in the city of a huge military hospital for all the soldiers in Canada who need special treatment for mental diseases is an assured fact. There will be a new post office building to cost $450,000. The Provincial Government will expend $125,000 on additional buildings at the hospital for in insane. Jules and Jay Allen, of the Allen Theatre Co., Toronto, have awarded a contract to John Hayman & Sons for a new $250,000 theatre on Dundas St., and Loews Theatre Co. of London has purchased a site and is preparing plans for a $300,000 structure. This week Bowles Lunch Co. of Toronto purchased one of the most central properties in the city, and plan to locate a branch of their business there. Another deal was closed this week by which the Grafton Company become owners of the store adjoining their present premises. This will be extensively remodelled and will be used with the present store for larger business. Work will start about April 1 on a new $200,000 building for the Western University Medical College, and Bishop Fallon is busy with plans for a seminary which it is stated will cost $500,000.

John Hayman & Sons contemplate the erection of another large apartment block. Captain Fletcher, it is stated, is figuring on building fifty residences, and already plans are well under way for a large number of fine dwellings.

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T. A. Richardson and Company
INVESTMENT BANKERS
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NEWS AND VIEWS FOR MANAGERS

DISGRUNTLED ARE THE POOR RISKS, SAYS MANAGER

Unpopularity of Banks is With Those Turned Down

GIVES TWO INCIDENTS

The Young Man Who Never Worried About Paying Back a Loan and the Real Estate Men With Inflated Ideas

Why the unpopularity of the banks? I asked the question two weeks ago in the hope that it might give rise to some discussion of a matter concerning the affairs of every bank manager. From Vancouver comes a response from a manager who thinks the question "almost humorous." He says that the banks are not unpopular as a rule except amongst a class of "business" men whose proclivities and weight in the community are questionable from the standpoint of financial credit. In other words he would put the unpopularity of the bank manager in the category of that of Shylock and all other moneylenders who exact the letter of the bond and he would undoubtedly align himself with those just thinkers who incline to the belief that Shylock was misjudged by Shakespeare — certainly when Mantell protrayed the character on the stage I am inclined to think there were many who felt as I have done that in ethical, if not h[illegible], justice the Je[illegible] was entitled to his pound of fles[illegible]

But to return to the argument of the man at Vancouver. He recounts two actual instances which have occurred within his experience during the last few months as illustrating the point that those who are dissatisfied with bank service are usually disgruntled shoe-string financiers who have not been able to get the bank to back their plans. The first was that of a ne'er do well member of a fairly good family who dropped into his bank to borrow $500 with which to embark in a window-blind business or agency—at the bank's risk.

"As he had no money of his own I suggested that he get his neighbor who was well known to us to endorse for him. The neighbor later told me that his reply was:

"'I'm just worrying where I am to get the money to pay the bank what I owe them.'

"'Worrying about paying it back?' said our young friend in amazement, 'by Jove, that never worries me. What I'm worrying about is where I'm going to borrow it.'"

The other incident had to do with the fellow who talks about the banks not loosening up without considering whether or not the banks should do so:

"Two erstwhile real estate 'brokers' (by training a farmer and a carpenter) met a customer of ours one morning who casually enquired:

"'How do you find things?'

"'O, things would be all right if the banks would only loosen up.' replied the misfits.

"'Loosen up in what way?' said the customer.

"'Why, lend their money of course.'

"'Now listen,' said the man of business sympathetically, 'if you had $10,000 in cash, knew business conditions here as you do, on what security would you lend the $10,000?'

"'O, that's nothing to do with it; if you——'

"'O, yes it has something to do with it,' persisted our customer, 'if I wanted the money and asked you to name your security what would you say?'

"Driven into a corner, the two who hoped to live on their wits had to admit that if they had $10,000 they would not lend it at all, but would keep it in the bank."

What is the Tronble

The first of these incidents tells pointedly and practically how the banks become unpopular with a certain class of moral misfits—the average policeman, although perhaps a kind father and loving husband when his uniform is off is regarded in a similar light by the small thief. But the trouble is that this unpopularity of the representatives of the law extends beyond those who have reason to fear them; it is difficult to say why. The analogy brings us to that feeling against the banks which seems to be held against practically all big business institutions—the popular belief of millions is that Shylock was what Shakespeare would have him appear—which is fostered by the newspapers and other busybodies of socialistic bent. The second instance provides an effective example of how this feeling can be met when it crops out in the case of an applicant for a loan; if a man cannot get a loan from his neighbor why should he expect to get it from the bank where that same neighbor and other neighbors place their money for safe-keeping.

But there is still the fact to be faced that the banks are not popular — even if not exactly unpopular—with a lot of small depositors and others who seldom desire loans, but who on the other hand usually get far more service than their accounts warrant. Is this merely the result of newspaper education? Is it another form of the resentment of Mr. Average Citizen towards the police uniform which represents protection of his life and property? Is it anything that branch managers or head office officials can cope with; or something which must be put up with, like the "flu" and the cost of living?

Managers who will contribute experiences and opinions will aid in carrying on what I believe will prove a helpful discussion.—J.W.T.

MUCH IGNORANCE ON VICTORY BONDS

Bank Managers Say There is a Great Lack of Understanding of Their Nature

Those who are in a position to know,—to be exact bankers in the smaller communities who are coming directly in touch with the people,—state that there is widespread lack of understanding of Victory bonds. One bank manager, who has been for some time in the city of Chatham, Ont., advises that he was recently astonished to have a farmer of the community come to him and say that the Government had not sent him a cheque for the interest on his bond. On making inquiry the bank man found that these were coupon bonds and that the farmer had not clipped the coupons. He had not understood that these should be clipped, but had thought that the interest would come to him without any such clipping—that the coupon was merely a promise to pay, an indication as to the amount and date.

It would seem, from what this bank manager states, and from what is learned from others, that there is a widespread lack of understanding of just this nature. That such should be the case is, after all, not so strange, for prior to the war the general public knew comparatively little about bonds, and perhaps the A. B. C.'s of the bond business have not been as definitely brought out as could be desired.

Some of the bank managers who have come in touch with the people of the farming districts, and of the smaller communities are of opinion that the Government should take steps to educate the holders of bonds as to just how these should be handled. There is a considerable tardiness in receiving the interest coupons. Here the experience is much as is the experience with the Liberty loan in the United States, except that there this tardiness is to a considerable extent laid to the blame of indifference on the part of some rather well-to-do people who have taken a small lot of Liberty loans purely for patriotic purposes.

STANDARD BANK PROFITS REACH NEW HIGH LEVEL

Return on Average Paid-up Capital Nearly 20 Per Cent.

LOANS EXPAND

Capital and Reserve Have Been Rounded Out to $3,500,000 and $4,500,000 Respectively

A substantial increase in net profits for the year ended January 31, 1919, is reported by the Standard Bank of Canada, whose report was issued during the week in advance of the annual meeting on Wednesday next. Earnings amounted to the sum of $697,443, a gain for the year of approximately $48,000, and the largest amount in the history of the institution. On the basis of capital, the profits work out to 19.91 per cent., while on capital and rest combined they stand at 8.71 per cent. These are not the highest percentages in the bank's experience, but they are best for the war period, as is indicated by the following table:—

*Year	Earnings	†Rate Rest	% on Capital	Div.
1918	$697,443	8.71	19.91	13
1917	649,546	8.21	19.08	13
1916	580,230	7.63	17.59	13
1915	563,401	8.04	18.78	13
1914	621,403	9.22	21.28	13
1913	555,095	9.47	21.16	13
1912	462,079	....	21.08	13
1911	381,601	....	19.08	12
191[illegible]	373,208	....	18.26	12
1909	342,258	....	18.14	12
1908	283,065	....	17.94	12
1907	186,097	....	17.82	12

*Year ends Jan. 31. The 1914 year, for instance, is from Feb. 1 to Jan. 31, 1915.

†On capital and rest.

Distribution of Profits

In addition to the net profits mentioned there was additional income [illegible] representing the premium of $46,710 [illegible] issued. This together on new stock issu[illegible] loss balance with the previous profit and [illegible] ance of $175,216 produced the sum of $919,369 for distribution. The usual quarterly dividends at the rate of 13 per cent. per annum took $453,893; the sum of $20,000 was apportioned to officers' pensions; the premium received on new stock was paid over to the reserve; $34,839 was paid out in taxes on circulation, and $36,600 was contributed to patriotic funds. Further, a sum of $100,000 was used for the reduction of bank premises account. After all these payments were made, a balance of $227,327 remained to be carried to profit and loss. The result is shown in the following table:

	1918	1917
Balance forward	$175,216	$153,594
Net profits	697,443	649,546
Premium on stock	46,710	120,048
	$919,369	$923,188
Dividends	$453,893	$442,783
Officers' pensions	20,000	20,000
Reserve	46,710	120,048
For depreciation	.....	100,000
Tax on circulation	34,839	33,891
Patriotic	36,600	31,250
Premises	100,000	......
Balance	227,327	175,216
	$919,369	$923,188

Current Loans Up

The outstanding features of the balance sheet are the increases in circulation and deposits on the one hand and in gold reserve, current loans and holdings of Canadian municipal and British and foreign securities on the other. Both demand and savings deposits show important increases, the former being up from $17,779,015 to $23,405,863, and the latter from $40,301,689 to $42,563,696. In connection with the savings deposits it is evident that recovery from the drain of Victory Loan subscriptions has already been felt.

With circulation enlarged by $1,213,475 to $6,697,858, it is to be noted that the gold reserve has been increased from $2,500,000 to $3,500,000. Immediately available assets, as set forth in the next table, represent 30.11 per cent. of total assets and 33.43 per cent. of total liabilities to the public, the percentage in both cases being a trifle less than at the end of the previous year. Current loans show the very considerable expansion of $5,740,176 and amount to $45,543,854. Capital has now been rounded out to $3,500,000 and reserve to $4,500,000.

Immediately Available Liquid Assets	1918	1917	Change
Specie	$ 1,772,059	$ 1,557,334 +	$ 214,725
Dom. notes.	10,812,622	10,065,781 +	746,841
Note cir. dep.	175,000	175,000	....
Notes, bk. ..	362,061	265,096 +	96,965
Bk. bal. abd.	1,437,212	1,051,210 +	386,002
Gov. sec. ...	4,521,487	3,963,592 +	557,895
Cheques . ..	2,597,090	2,822,443 —	225,353
Gold res. ..	3,500,000	2,500,000 +	1,000,000
	$25,177,531	$22,400,456	$2,777,075
% total assets	30.11	30.31 —	.20
% total liab.	33.43	34.09 —	.66
Other Assets			
Pub. sec.. ..	$ 8,473,705	$ 7,192,951 +	$1,280,754
Other sec. .	857,273	892,843 —	35,570
Call loans .	1,732,828	2,037,526 —	304,698
Current . ..	45,593,854	39,853,678 +	5,740,176
Over. debts .	64,700	111,067 —	46,367
Lets of cred.	272,259	70,037 +	202,222
Real estate .	7,771	16,000 —	8,229
Premises . .	1,346,557	1,324,298 +	22,259
Other assets.	130,387	92,051 +	38,336
	$58,479,334	$51,590,451 +	$6,888,883
Total assets.	$83,656,865	$73,990,907 +	$9,665,958
Liabilities to Public			
Circulation .	$ 6,697,858	$ 5,484,383 +	$1,213,475
Dem. dep. ..	23,405,863	17,779,015 +	5,626,848
Savings dep..	42,563,696	40,301,689 +	2,262,007
Due bks. ..	1,227,161	1,160,942 +	66,219
Due else. ..	1,148,889	1,000,951 +	147,938
Acceptances.	272,259	70,037 +	202,222
	$75,315,726	$65,797,017 +	$9,518,709
To Shareholders			
Capital . ..	$ 3,500,000	$ 3,453,290 +	$ 46,710
Reserve . ..	4,500,000	4,453,290 +	46,710
Dividends . .	113,812	112,094 +	1,718
Balance . .	227,327	175,216 +	52,111
	$ 8,341,139	$ 8,193,890 +	$ 147,249
Total liab. .	$83,656,865	$73,990,907 +	$9,665,958

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6½%

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OF THE

Montreal Tramways & Power Co., Limited

DATED MARCH 1st, 1919. DUE MARCH 1st, 1924

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164 St. James St. - - - Montreal

Fifty-Ninth Annual Report

THE LONDON MUTUAL FIRE INSURANCE CO.

[illegible]

BALANCE SHEET

DECEMBER 31, 1918

ASSETS

Bonds and Debentures with Accrued Interest	$218,274.83		
Mortgages Receivable with Accrued Interest	12,183.85		
Rents Accrued	480.00		
Due by Reinsurers	4,608.85		
Agents' Balances	49,053.78		
Cash on hand and on deposit	58,102.76		
		$342,704.07	
Office Furniture, Goad's Plans, and Automobiles (Toronto and Montreal)	$ 29,763.18		
Less Reserve for Depreciation	19,763.18		
		$ 10,000.00	
Real Estate and Buildings	$166,576.22		
Less Reserve for Depreciation.	4,849.14		
	$161,727.08		
Less Mortgage Payable and Accrued Interest	30,566.47		
		131,160.61	
			141,160.61
Contingent portion of Premium Notes			*155,826.85
			$639,691.53

*In addition to the above there is on hand $103,937.19, being portion of Premium Notes subject to assessement during the next two years.

LIABILITIES

Unadjusted Fire Losses	$27,374.82	
Government Taxes Accruing	5,452.44	
Due for Reinsurance	7,585.46	
Sundry Accounts Payable	642.66	
Provision for Agents' Bonuses	3,000.00	
		$ 44,055.38
Reserve for Reinsurance, Full Government Standard		275,491.43
Capital Stock Paid Up	$ 19,250.00	
Surplus Account	145,067.87	
Cash Surplus to Policyholders	$164,317.87	
Contingent Portion of Premium Notes	155,826.85	
Total Surplus to Policyholders		320,144.72
		$639,691.53

CERTIFICATE

We have audited the books of the London Mutual Fire Insurance Company of Canada for the year ending December 31, 1918. We find the books to be in order and all the information asked for has been cheerfully given.

Our examination has included the Cash and Bank Books, Premium Registers, Agents' and Branch Balances, and the securities held by the Company.

We certify that the annexed Balance Sheet is in accord with the books, and in our opinion is a full and fair statement of the position of the Company on that date.

EDWARDS, MORGAN & CO.

Toronto February 8, 1919 Chartered Accountants.

69th Annual Statement

Ætna Life Insurance Company

Of Hartford, Connecticut

Morgan G. Bulkeley, President

Capital Stock $5,000,000

January 1, 1919

ASSETS

Home Office Building	$1,000,000.00
Home Office Supply Building	76,000.00
Real Estate Acquired by Foreclosure	47,495.56
Cash on hand and in banks	7,774,440.39
Stocks and Bonds	56,297,543.37
Mortgages secured by Real Estate	61,150,451.59
Loans on Collateral	937,439.00
Loans secured by Policies of this Company	12,173,278.34
Interest due and accrued December 31, 1918	2,841,676.41
Due from Re-Insurance Companies and and others	70,497.46
Premiums in course of collection and deferred premiums	4,575,440.52
Amortized value of Bonds and Market Value of Stocks over Book Value, less Assets not admitted	2,843,837.75
Total Assets	$149,788,100.39

LIABILITIES

Reserve on Life, Endowment and Term Policies		$106,760,277.00
Reserves not included above		2,553,593.33
Premiums paid in advance, and other Liabilities		1,112,161.08
Unearned interest on Policy Loans		309,151.02
Taxes falling due in 1919		1,469,266.79
Reserve for special class of Policies and Dividends to policyholders payable in 1919		3,782,382.17
Losses and Claims awaiting proof and not yet due		1,776,554.43
Unearned Premiums on Accident, Health and Liability Insurance		5,488,794.10
Reserve for Liability claims		9,371,266.54
Capital	$ 5,000,000.00	
Surplus	12,164,653.93	
Surplus to Policyholders		$17,164,653.93
Total Liabilities		$149,788,100.39

Increase in Premium Income	5,221,099.69
Increase in Assets	9,203,655.48
Increase in Life Insurance in force	100,255,185.09
Payments to Policyholders during 1918	23,200,649.64
Payments for Taxes during 1918	1,426,456.39

New Life Insurance Issued in 1918	$237,473,503.34
Life Insurance Paid for in 1918 ($218,251,456.34) and in process of Collection ($10,836,325.00)	229,087,781.34
Life Insurance in Force, Jan. 1, 1919	673,171,467.54
Paid Policyholders since organization in 1850	341,911,259.12

T. H. CHRISTMAS & SONS, Managers, Guardian Bldg., St. James St., MONTREAL

JOHNSON & ORR, Managers, 906-909 C.P.R. Bldg., TORONTO

T. B. PARKINSON, Manager, 209 Dominion Savings Bldg., LONDON, ONT.

DOUGLAS J. JOHNSTON, Manager, 605 Union Trust Bldg., WINNIPEG, MAN.

THE FINANCIAL POST

President - - - - JOHN BAYNE MACLEAN
Vice-President - - - - - - H. T. HUNTER
Manager - - - - - GORDON RUTLEDGE
Editor - - - - - - - - J. W. TYSON

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No material from news bureau sources submitted for editorial purposes will be published, and no such bureau or individual should be paid any consideration or given any credit for the insertion or inspiration of any item.

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TORONTO, FEBRUARY 22, 1919

THE DANGER OF THINKING IN MILLIONS

EXTRAVAGANCE on speech runs hand in hand with extravagance in expenditure," says Lt.-Col. A. T. Thompson, ex-M.P. in the *Canadian Military Gazette.*

In a recent article, entitled "thrift," we dealt with the lack of that excellent quality, as exemplified in lavish spending on dress and autos.

The fact is we have grown so accustomed to read and speak of armies of millions, and money in billions, that we have lost the true perspective, and are in grave danger of coming to grief by thinking of what are really very large sums as "mere bagatelles," to use the airy phraseology one so often hears nowadays.

That we have spent hundreds of millions on the waste of war would seem to be the very best reason for rigid economy now, both public and private, whereas it is made an excuse for still further heavy expenditure.

There are at present, no doubt, many national [illegible] ills, but nothing like the number of panaceas [illegible]cribed. The quidnuncs are busy indeed in [illegible] COST never counts [illegible], and [illegible] for a moment, with them. Very recently the writer was discussing with one of these a certain phase of the military situation, not important in character, but withal somewhat irritating to a rather small section of the army. Instantly his friend announced a remedy. "But it would cost four or five millions in money," said the listener. "What if it cost twenty millions," came the reply, "it would make them happy, and after all, we have spent a thousand millions on the war, what difference would an additional twenty make?" It is talking of that kind, not here and there, and seldom, but almost everywhere and often, that makes one shiver for the mental condition into which the excitement and extravagance of the war seem to have landed our people.

Let me give another example. "I think the discharged soldiers should have an additional allowance of ten dollars towards buying a great coat," said this man. "Are they not being allowed to keep their great coats on discharge?" was the reply. "Why, yes, but another ten dollars would do them no harm, and what is ten dollars anyway?" Yes, what is ten dollars? Not much as ten dollars, but four millions when applied to four hundred thousand men.

Then, having already taken on C.N.R. and G.T.P., nothing will serve many well intentioned people but a further purchase, that of the C.P.R. and G.T.R. What if this little deal would cost somewhere round seven hundred million dollars—have we not spent twelve hundred millions on the war?—why should we dread this SMALL additional expenditure? And while we are at it, let us buy up all the water powers, the coal mines, etc., etc.

Such, in effect, is the talk one hears on all sides, in this country of thinkers in millions. One wonders what these same gentlemen will say as the income tax mounts higher and ever higher. Well regulated control of our great transportation systems let us have by all means, and public ownership too, when the same comes, if it ever does, that the result from the ownership of what we have already acquired justifies an extension of the system.

In the meantime let us try and get at least part of the way back to such healthy old maxims as "take care of the pennies, and the pounds will take care of themselves," and let us even practise a little more economy in speech itself, after the manner of the Scotch, who more nearly follow the injunction, "Let your communication be yea, yea, and nay, nay," than do any other people. The world at the moment is long on the talker, and mighty short on the hard thinker.

OFFSETTING BOLSHEVISM

THERE are many definitions for Bolshevism. Practically all of these get down to the basic idea that it is a state of mind, a state of unrest with conditions, a state of destructive opposition to established institutions—that they may be fair conditions and good institutions is a matter of incident. The lack of human life and the annihilation of property represent the extremes to which the movement may be carried. In Canada, it is not possible to imagine the condition to which Russia and Germany have been brought, yet Bolshevism is, nevertheless, a real menace. The fact that our state of democracy represents many of the highest ideals of the reformers of Russia does not prevent the insidious spreading of the same ideas of discontent, the same desire to tear down what is.

The spirit of Bolshevism—of unrest, of dissatisfaction—develops most rapidly where there is unemployment, where the individual finds conditions which chafe the festering sore of discontent. The most effective antidote is in creating a state where the working classes have little reason to complain, where the individual has reason to feel that his needs and wants are receiving full consideration.

The relations between manufacturers and workers demand that every effort should be made to reach a mutual understanding. Every consideration must be shown for the men who have been overseas. No undue advantage of the situation should be taken to reduce wages from the highest possible level during the period of reconstruction in order to enable workers to meet the high cost of living. Labor must be brought to realize, however, that the war-time wages cannot be maintained in the face of a contracting market for manufactured products.

In satisfying the soldiers much has been accomplished by conferences of manufacturers and officials of the Canadian Manufacturers' Association with representatives of the G.W.V.A. Such negotiations in Toronto have resulted in a satisfactory solution of the alien labor problem which caused serious trouble at Winnipeg. Plans are now being worked out for extending the relations of these organizations throughout the country.

BUSINESS MEN STILL NEEDED

IN the United States there is a strong and growing movement in favor of Charles M. Schwab for the next president. It is being pointed out that the great present-day American problems relate to trade and industry. The country poured out its billions for a great cause and it now remains to work efficiently and make the money needed to pay the gigantic debt incurred in the glorious enterprise of the war. No man in the United States, it is suggested, is better qualified than Mr. Schwab to undertake the task of establishing and maintaining a strong business administration.

"For this job," declares the *Bankers' Magazine*, "he possesses some unusual qualifications: in the first place, in an era of universal quackery in economics and politics, when the very air is full of half-baked schemes for saving mankind, Mr. Schwab has but one remedy—'just plain hard work. His own life has illustrated the practical application of this gospel, and he thus confidently recommends it to others. Then he has another re[illegible]markable element of fitness for the Presidency [illegible] these times: a man of big business and a capital[illegible] capitalist, he has the respect and good will of [illegible] labor. That qualification, it is suspected, [illegible] will be a mighty good asset to have in the days ahead of us. The man who has himself sprung from the ranks of labor can work with other men, can understand and sympathize with their hopes and purposes better than any one who views the relations of capital and labor merely from the standpoint of those who have toiled only with words."

If the United States needs a man like Charles M. Schwab to take the helm of State, surely there is an equal need for us in Canada to have a stronger fusion of business blood in the national administration. The call for business men in public life was urgent during the war and there was a certain response to the appeal. The need for such men is just as urgent to-day and it is greatly to be desired that men of the Schwab type should be persuaded and encouraged to come to the service of the country in the trying times that lie ahead

WHERE THEY ENCOURAGE INDUSTRY

IN marked contrast to the attitude too often adopted by Toronto and some other Canadian cities towards industry, is that of the city of Louisville, Kentucky. In Louisville, they have what is known popularly as the William Dollar Factory Fund. This was organized in July, 1916, under the name of the Louisville Industrial Foundation for the distinct purpose of assisting in the industrial development of Louisville. Not only does the Foundation aim to bring new industries to the city, but it also assists in the development of established industries.

At the last annual meeting of the Foundation, the General Manager, Tampton Aubuchon, reported to the stockholders that during the past two years twenty new factories had been located in Louisville as the result of the Foundation's efforts. The new factories employ 3,000 operatives and have an annual pay roll of $2,000,000. Twelve factories were reported for 1917 and eight new peace time industries were reported for 1918. These factories were acquired by the Foundation at a net expense of $15,000. It was shown that for every dollar expended the city acquired business transactions bringing $13.00 profit annually

The meeting was attended by a large percentage of its stockholders. There are 3,200 stockholders in the Foundation and the vote for the Board of Directors showed that 2,500 shares of stock were voted. The directors who had charge of the work for the past two years were re-elected.

EDITORIAL NOTES

THE need of the moment is for the balanced mind and the well-regulated tongue. Recently, at the Toronto city forum the speaker of the day advocated the taking of, say nine-tenths of the estate of the wealthy for the purpose of paying war debts. Is it any wonder that many of the rabid audience at once jumped a step or two farther and argued that if it is right to take nine-tenths of a man's estate after death, why not take it before death; and why pay the war debts, anyway?

* * *

THERE is this cheering feature about any Bolsheviki tendencies noted in Canada. The wild utterances and suggestions are largely coming from foreign workmen—men of European countries who fattened off the war pay rolls and who now fear a swing of the pendulum which will send them back to the unskilled work for which many of them are alone fitted. These foreign propagandists will not make ready headway with the sound Canadian worker—and certainly not with the returning soldier who resents the favorable war treatment these foreigners received.

DISALLOWANCE—AND SECURITY FOR PROPERTY

Dominion Government Should Act When Fundamental Principles of Legislation Are Violated By Provinces

By J. MURRAY CLARK, K.C.
In the Journal of the Canadian Bankers' Association

Some politicians have proclaimed that there must be a new world and that we must disregard the ideas and statesmanship of the Nineteenth Century. It would be much better for the world to dispense with many of such politicians rather than be deprived of the benefit of the sagacity of Abraham Lincoln, aye, rather than be deprived of the benefit of the genius of Alexander Hamilton, a statesman of even an earlier century, who is entitled to credit for some of the most beneficial provisions of the United States Constitution, under which, and indeed largely by reason of which, that great country has achieved unexampled prosperity. That Constitution was strengthened after the Civil War and provides that no state shall pass any ex post facto law or any law impairing the obligation of contracts, and, by an amendment, every State was prohibited from depriving "any person of life, liberty or property without due process of law."

These wise provisions embody the fundamental principles of the Great Charter of Liberty which is the common heritage of the English speaking peoples. In a true sense it may be said that in the great war the English speaking peoples were fighting for the principles of Magna Charta, i.e., for an ordered liberty and against the lawlessness of arbitrary power; in other words, as President Wilson said in his famous Fourth of July speech, for "The Reign of Law."

Those who framed the Canadian Constitution, usually called the Fathers of Confederation, did not intend that property should be less secure in Canada than in the United States. They have had before them the United States Constitution and had carefully studied its practical working and the lessons of the Civil War which demonstrated that Alexander Hamilton was right and his critics wrong. He foresaw trouble if the provisions he advocated were not embodied in the United States Constitution. Trouble came in the form of a terrible Civil War which the adoption of his views would probably have prevented. The American people profited by their terrible experiences and amended their Constitution and it has now stood the trying test of the greatest war of all history. One of the ablest representatives of the Quebec minority, Sir John Rose, referred to the veto power on the part of the general Government over all legislation of the local legislature as the "best protection and safeguard of the system," and the historical fact that the absence of such a power was the great source of weakness in the United States at that time, was forcibly pointed out.

Federal Powers

Instead of an absolute prohibition of all State legislation which violated the fundamental principles of Magna Charta, as under the present Constitution of the United States, the Canadian Constitution provided that a copy of every Provincial Statute should be sent to Ottawa and that within one year after the receipt of such copy, the Governor-General-in-Council should have power to disallow the Provincial Statute. This federal power of disallowance is general, and when exercised, the Provincial Statue so disallowed becomes null and void.

This federal veto power was often spoken of as a protection of minorities, but is was clearly intended as a security for property. In the early days of Confederation this power of disallowance was used, as intended, to safeguard property against unjust Provincial legislation. In one case a Provincial Statute was disallowed on the ground that in impartial arbitration was not provided, for the purpose of determining the compensation to be allowed in respect of property rights taken away by the Province. Regard was had to the fundamental principles of British Jurisprudence, now in some quarters more honored in the breach than in the observance.

One Minister of Justice remarked (referring, of course, to only a certain class of cases) that the power of disallowance had become obsolete. It is, therefore, a matter of unusual interest that in 1918 this federal power of disallowance was actually exercised to annul confiscatory Provincial legislation.

The essential facts are that the land in question was (with other lands) transferred by British Columbia to the Dominion as part of the arrangements for providing transportation facilities in that Province. The Dominion granted the land to the Esquimalt & Nanaimo Railway Company who became the owner of the land and the minerals.

In 1904 the Local Legislature passed a Statue authorizing the Provincial Government to grant, by patent, parts of this land to certain parties (presumably voters) and enacting that the effect of such patent should be to vest the land, so granted, in the grantee free from all claim by the Company. The Company petitioned for the disallowance of this Statute. The Minister of Justice reported that if the Statute had the effect apprehended, namely of divesting the Company of its title, he would feel it to be his duty to recommend disallowance in order to prevent consummation of such an injustice.

When the dispute came to be settled in the Courts, the Trial Judge held the Statute had precisely the effect so apprehended. This was reversed by the Full Court, who held that the Statute should not be constructed as intended to deprive the Company of any interest vested in it under its grant from the Dominion, and that the Court must "impute a rational and beneficial intention to the Legislature rather than an irrational and injurious intention." On appeal, the Judicial Committee of the Privy Council reversed this decision and held that "Such a construction would defeat the clear intention of the Legislature." The Statute on its true construction was held to legalize the grant thereunder [illegible] appelant and to supersede the Company's title. It was conceded that but for the subsequent Provincial legislation the Company's title to the mines and minerals in question would be incontrovertible. Although the result was to deprive the Company of this previously incontrovertible title, the Statue was held to be within the legislative powers of the Local Legislature.

It follows from this decision of the highest Court of the Empire that under the Canadian Constitution, the only remedy against unjust confiscation of property by Provincial legislation lies in the exercise of the power of disallowance vested in the Governor-General-in-Council.

In 1917, an act was passed extending the time for applying for grants by the Province of the Company's lands.

Invasion of Rights

The Minister of Justice in his report upon the Statute of 1917 says, "But involved in this very simple legislative expedient is an invasion of valuable proprietary rights, which has occasioned an application for disallowance based upon irresistible grounds." One of these grounds was that no compensation was provided for the proprietary rights of which the Company was deprived. It was, to use the language of another Minister of Justice, a clear case of "confiscation without compensation."

It is to be noted that in 1910, and several years after its effects had been judicially declared, the Province made an agreement (ratified by Statute) with the Company to pay a measure of compensation which it had suffered through the operation of the Provincial Statute of 1904. The Statute of 1917 did not provide for compensation and was properly disallowed.

In the able report, on this Provincial legislation, of the Justice Department, adopted by the Governor General in Council on 30th May, 1918, reference is made to the history of the exercise of the federal veto power, and it is shown that this power is conferred and the corresponding duty is imposed, by the same Constitutional instrument which confers their jurisdiction on the Provincial Legislatures. It is, however, a fact that a former Minister of Justice enunciated the startling proposition that Provincial legislation, though "confiscation of property without compensation and an abuse of legislative power," should not be disallowed.

Confiscation and Compensation

"Confiscation of property without compensation" is perhaps one of the most characteristic features of the Bolshevism which has wrought such terrible disaster in Russia. Some look on Bolshevism as a new and portentous doctrine, but it is as old as thievery and murder. The phrase "the freedom of the wild ass" used many years ago by Sir Henry Maine, mostly aptly describes the creed held by many in Canada, as well as in Russia, and ignorantly believed by them to be modern.

Indeed, most of the fallacies now loudly proclaimed were much more cleverly advocated several thousands of years ago by Greek demagogues, who persuaded the people of Athens to put to death their wisest citizen and finally wrecked the commonwealth. There is, after all, not much that is new under the sun; a Scotch Professor of Greek kept a record of the jokes used in an election campaign, and subsequently found that they had, each and all, in substance, been told much more wittily by the Greek politicians many centuries ago.

Continued on page 11

PERSONAL

HENRY J. FULLER, of New York, who was elected a director of the Shawinigan Water & Power Co. this week, is known best in Canada as president of the Canadian Fairbanks-Morse Company. He is also a director of the Canadian Bank of Commerce, and on the Board of the Liberty National Bank of New York, the Gilette Safety Razor and others. He and Mr. Aldred, president of Shawinigan, are associated in a number of enterprises.

A. G. LOCKHART, who was connected with the Union Bank of Halifax and later with the Royal Bank of Canada as manager at Whitney Pier, Sydney and Edmonton, N.B., is now treasurer of the Frontier Trust Co. at Fort Fairfield, Me., a bank doing a fine business in one of the most thriving towns in the prosperous county of Aroostook. Mr. Lockhart spent twelve years in all with the Union and Royal Banks during eight of which he was a manager. This makes quite a record for rapid promotion.

WALTER H. COTTINGHAM, president of the Sherwin-Williams Paint Company, was speaking the other day of the difficulties they had to overcome in helping the British merchants to sell goods and do more business. They finally succeeded in getting the leading retailer in a provincial city in England, who was handling their goods ,to display them in the window, according to a design prepared by the Sherwin-Williams expert window dresser. A few days later they received a violent protest from the merchant, who wanted the display taken out, because they were bothered with too many buyers coming into the store.

THOMAS HILLIARD, who has retired, at his own request, from the position of managing director of the Dominion Life Assurance Co., though still retaining the presidency, has been associated with the company since its inception thirty years ago. In fact, he was its founder. Born in Ireland, he came with his parents to Canada and started life as a school teacher. Then he established the Waterloo Chronicle. Later he sold insurance for the Temperance and General Insurance Co., until he was persuaded to start a company of his own. To Mr. Hilliard, now 78 years of age, the Dominion Life owes much of its success and, while he will no longer act as its general manager he will, as president, keep a supervising eye on its affairs. Mr. Hilliard's successor as managing director is Ford Stanley Kumpf, who has for some time acted as assistant manager. Mr. Kumpf has been a member of the board for some time and has looked particularly after the investments.

SIR RODOLPHE FORGET, whose death after five weeks' illness occurred on the 19th February at his residence in Montreal, was one of the acknowledged masters of finance and large scale organization of enterprise in the Dominion. Born at Terrebonne, P.Q., in 1861, and the son of David Forget, lawyer, he began his career as a clerk in the office of his uncle, the late L. J. Forget. He was a partner in the firm of L. J. Forget & Co. till 1907, when he entered the banking business for himself. To Sir Rodolphe Forget are credited some of the greatest achievements in industrial reorganization in Eastern Canada, and in the financial world he was influential in marked degree. He came to be ranked with the multi-millionaires, and his name figures on the directorate of many of the first rank industrial and financial companies of Montreal and the Province of Quebec. For two terms he was Chairman of the Montreal Stock Exchange, and in Parliament sat for Charlevoix in 1904 and was elected for the same constituency and Montmorency in 1911, having the distinction of being the only opposition member ever elected for two seats. He declined a portfolio in the Borden cabinet.

GEORGE EDWARD DRUMMOND, who died of pneumonia while on a visit to London this week, was one of the best known among the industrial leaders in Canada, especially in the iron business. Nor was his life work limited by the bounds of his iron business; his broad vision led him to perform the most valuable service in a large way not only for his own city of Montreal and this country, but the Empire as a whole, and his counsels in Imperial circles on many occasions left a profound impression.

Born in Ireland in 1858 Mr. Drummond attended school in Montreal, and when quite young became clerk in an iron and steel merchant's office, where his industry gained him rapid promotion. At the age of 23 he became associated with James T. McCall, and established the firm of Drummond, McCall & Co., still in existence, for the purpose of importing heavy iron and steel. Around this firm grew up a number of manufacturing industries, while Mr. Drummond himself rapidly developed into a life of extended service. At his death he was a director of Molsons Bank, Canada Cement Company, Ogilvie Flour Mills, Sun Life Assurance Co., president of the Drummond Mines, Limited, and vice-president of the Cockshutt Plow Company, and last summer resigned, in protest, from the directorate of the Canadian Car & Foundry Co.

The Montreal Board of Trade counted him as one of its most progressive members. In 1904 he was president, and occupied the double position and honor as head of the Canadian Manufacturers' Association the same year. He also was at one time president of the Canadian Mining Institute. One of the subjects in which he was specially interested, and of which he made a careful study, was the tariff. He was one of the pioneer leaders of the Made-in-Canada movement, and in a larger way supported the idea of preferential trade within the Empire.

The late Mr. Drummond was a member of an illustrious family: one brother was the late Dr. William Henry Drummond, who became famous as the author of "The Habitant," and other similar works; and Thomas J. Drummond, who was directly associated with him, first as the leading iron importers and later the most extensive iron manufacturer in Canada.

Every Security Holder should have this New Booklet

"War Loans, Resources & Progress of Canada"

INTERESTING THINGS ABOUT THEM

Results of the Victory Loans 1917 and 1918 compared, complete details of the results by Provinces, comparative tables showing the terms of issue of each War Loan, comparison of price of British Consols, French Rentes, U.S. Bonds prior to, during and after war periods, Funded Debt of Canada, details of Loans payable in London, New York, Canada.

Security behind Canada's Bonds including Canada's Resources and Progress in all fundamental directions, covering brief statistics 1911 to 1918, about Agriculture, Fisheries, Forests, Mines, Trade, Railways, Banking, etc. How to handle your investments.

We shall be glad to send a copy on request.

Investment Securities

A. E. AMES & CO.

UNION BANK BLDG., TORONTO
Transportation Building, Montreal
74 Broadway - New York

Established 1889

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

CANADIAN MACHINERY CORPORATION

E.M.T., New Brunswick.—"Would you kindly give me any information you may have on the present and future prospects of the Canada Machinery Corporation, Galt, Ont.? I am interested in both their first mortgage bonds and preferred stock."

The Canada Machinery Corporation, Limited, has come through the war period most successfully and efficiently and is to-day financially in a sound position. It completed its fiscal year on January 31 and, while no figures have yet been issued, we understand from a reliable source, that results have been quite satisfactory. The position of the premier securities, the bonds and preferred stock, is assured and there are good speculative possibilities for the common. The Corporation's outlook is declared to be entirely satisfactory, having regard to the uncertainties of the transition period. The intention is to proceed with the manufacture of the various lines produced prior to the war.

DOMINION GLASS

H.I.M., Toronto:—"A broker has advised me to purchase Dominion Glass at present prices. He seems to think this stock will make a quick profit and should sell at $75 shortly. What do you think of it?"

Dominion Glass is doing well. President G. A. Grier informs us that the company has had two exceptionally profitable years and the prospects for the present year are good, though profits will not likely be on as high a scale because of the tendency for prices to decline. The stock pays a dividend at the rate of 4 per cent., and, while under present circumstances it could doubtless pay more, it would probably be the policy of the company to conserve its resources. Unless there was a prospect of an early increase in the dividend rate, we do not see how a price of 75 could very well be reached. We believe that a high of about 50 would better represent the potentialities of the stock for the present. At time of writing it is selling at from 40½c to 41c.

INCOME TAX

Adviser, Quebec:—"Will you please give me the following information re Income Tax? A widow has a net income of $1,700. Her nephew living with her is an invalid and is dependent on her for a living. Has she to make a report? Last year she was exempted, but I am told the law has been amended."

If the lady in question received exemption last year, she would certainly be entitled to exemption again this year because the law, as amended, reads that widows with dependent children are exempted up to $2,000. Technically she would be liable for taxation on all income above $1,000 ($1,500 last year) because she is a widow without dependent children, but we have no doubt the Government would regard the invalid nephew in the same light as a dependent child and allow her the larger exemption ($3,000 in 1918; $2,000 in 1919) accorded to married persons or widows or widowers with dependent children. However we think her action this year as regards making a return would depend on what was done last year.

ROCKWOOD OIL

H.I.M., Toronto:—"Do you consider Rockwood Oil has any chance of coming back? Are they doing any development work?"

The Rockwood Oil and Gas Company are still pumping oil on their own properties at Glencoe and are drilling under contract for the Imperial Oil Co. (Standard Oil) on the latter company's properties at Rockwood near Guelph. At Glencoe the flow of oil is smaller than it was last summer and it looks as if the wells were pretty shallow. At Rockwood some gas has been struck and the prospects are said to be hopeful. Of course, if oil is encountered in quantity on the Imperial Oil's property, the outlook for the neighboring properties of Rockwood Oil should be good. Meanwhile Rockwood Oil is in no position to resume dividends. The company undoubtedly has speculative possibilities because of its extensive properties but its stock is simply and purely a speculation.

ROBERT SIMPSON COMPANY

Enquirer, Montreal.—"I should be very much obliged if you could tell me if any of the shares or obligations of the Robert Simpson Company are on the market, if so at what prices and what do you consider their prospect? Being connected with a subsidiary of the company I would like if possible to secure an interest in the parent concern, but I have never seen a quotation of their shares or bonds so that it is quite possible that they are closely held."

The Robert Simpson Company has been a very successful business corporation. It is, however, practically a closed concern from the investment standpoint. THE FINANCIAL POST understands that there are very few shareholders—only nine in fact two years ago—and the stock is very tightly held. If you are desirous of securing a financial interest in the concern we would suggest that the best method would be to approach some of the company officials and ask them if any of the present holders would consider a sale. We would think that it should be in line with the company's policy to encourage employees to increase their interest in the concern by investing in it and in this direction we think about your only hope for securing stock would lie.

We Offer

Montreal Tramway & Power

6½% 5-year bonds, due 1924
Denominations: $100, $500, $1,000
Price 100 and interest to return 6½%
Full particulars free on request.

Grant Johnston & Co.
MEMBERS MONTREAL STOCK EXCHANGE.
86 NOTRE DAME STREET WEST,
MONTREAL

RSC INVESTMENT-SERVICE

Canada Commands—

the world's pulp and paper market.
The reasons are clear—unlimited home and foreign demand, on the one hand; low-cost Canadian production, on the other.
We have bought an issue of fully secured Mortgage Bonds of an established Canadian pulp and paper enterprise.
They are offered to you to yield $67.50 yearly on every $1,000 invested.
A letter, or postal, will bring you full particulars.

Royal Securities CORPORATION LIMITED
164 ST. JAMES STREET
MONTREAL

DISALLOWANCE—AND SECURITY FOR PROPERTY

Continued from page 10

From time to time the present Minister of Justice protested against the strained interpretation of our Constitution by his predecessor, but practically it stood until substantially over-ruled on the 30th May, 1918, when the report above referred to was adopted by Order-in-Council. It is doubtful whether much beneficial action would have been possible before the disastrous wreck, wrought by Bolshevism in Russia, proved the danger of the practical application of many of the pernicious doctrines loudly advocated in Canada. The Congress of the Soviets confiscated all the land without compensation; "without any indemnification" is the translation of the words of the Russian decree. Some of the Soviets are reported to have gone further in the direction of public ownership and to have declared that every maiden of 18 years of age shall be the property of the State, and passed laws for what is called the "socialization of women." This was hailed as progressive legislation, but it only revives, in a very odious form, an ancient institution—the slavery of women.

The use of the word "socialization" reminds one that the vague meanings with which the word "socialism" is used, cause much confusion in current discussion. The word "socialism" should only be used in the sense defined by its authoritative exponents, as the ownership and operation by the State of all the instruments of production. Land is the principal instrument of production and food the most necessary product. If, therefore, we are to have Socialism, every farmer would lose his farm without any compensation—"without any indemnification" and he would work as directed by the politicians, or if we have Bolshevism, as directed by the Soviet; in other words, he would become a slave and subject to the most cruel tyranny.

Many speak of the spread of Socialism very pessimistically. I am an optimist and firmly confident that when our people understand what Socialism really means they will give it short, sharp, shrift.

Some have marvelled at the undoubted fact that the Socialists, like the Bolsheviki, were the allies of the Germans in the War, but a little reflection will make the reason plain. Prusianism and Socialism have much in common. Both are based on lawlessness and end in tyranny, and both are opposed to the reign of law upon which true liberty must be based.

We cannot too often repeat, nor too strongly emphasize, the warning of Burke, who most wisely said "Liberty to be enjoyed must be limited by law; for where the law ends, there tyranny begins; and the tyranny is the same be it tyranny of a monarch or a mutlitude; nay, the tyranny of the mutitude may be the greater, since it is multiplied tyranny."

This has been proved in Russia, and the spectacle of the ruin there caused by Socialism has taught us some needed lessons.

A Socialist orator who in former times was applauded to the echo was recently in the United States interrupted by an intelligent workman who said "You tried all that in Russia, and see what a hell of a mess you made of it."

This workman showed greater sagacity in judging Socialism than many of the professors who write voluminously, rather than luminously, on the subject, and applied the authoritative test "By their fruits shall ye know them." The fruits of Socialism in Russia are robbery and murder, anarchy and starvation. Trusted labor leaders who have visited Russia advise their comrades "Don't follow the Bolshevists." The terrible sufferings of Russia were caused by putting into practice the same "false and wicked doctrine" which is preached in Canada and which has caused some of the most sinister developments in the history of the world.

One of the leaders of the Socialists in Canada who knows their views, wrote a letter published in the Toronto "Globe" on 26th December, 1918, in which he says "The aims and purposes of the Bolsheviki are precisely the same as those of Canadian Socialists." It must not be overlooked that another leader, and one of the most influential, some months ago strongly advocated the establishment in Canada of Soviet rule along the lines introduced into Russia.

There is no excuse for any failure to profit by the terrible experiences of Russia, because, many months ago, Hon. Elihu Root, one of the really great statesmen this continent has produced, on his return from Petrograd, with penetrating insight, pointed out the similarity of the organizations which were ruining Russia with those doing so much mischief on this continent. Though many there be that have learned nothing from the War, it is fortunately true, as stated by Franklin Henry Giddings in his admirable book on "The Responsible State" that, after all, democracy does learn from experience. This disallowance by the present Dominion Government of the confiscatory Provincial legislation above referred to, does indicate to me that Canada has learned somewhat from the collapse of Russia.

The same conclusions can be reached by valid processes of reasoning and by reflection upon the previous experiences of mankind. Logic and history teach us the same lessons, but such a spectacle as that of Russia will make a more vivid impression than either logic or history.

Provincial Legislation

In discussing certain Provincial legislation attacked in the Courts, Mr. Justice Riddel made the illuminating remark that the prohibition "Thou shalt not steal," was not binding on our Provincial Legislatures. The learned Judge's trenchant, epigrammatic phrase attracted widespread attention and his decision was studied by those who drafted the Constitution of the South African Union, with the result that care was taken, as appears from that Constitution, not to entrust to the Local Legislatures of South Africa such sovereign powers as had, according to the then Minister of Justice, been abused in Canada.

Continued in next issue

LETTERS TO EDITOR

PUBLIC OWNERSHIP IN GUELPH

To the Editor of FINANCIAL POST:—

Your articles in the last issue re Guelph Junction Railway is correct; the City of Guelph has an investment in the road to the extent of having built it, and leased it to the Canadian Pacific Railway on a basis of 40% of the receipts for that particular 15 miles. It is managed and operated as part of the C.P.R. All the city does is to receive the cheque for their share quarterly from the C.P.R. This is the only public-owned property belonging to the city on which we receive a dividend, and if it were managed by the city, I doubt very much if it would return anything; at least, that is our experience in all of our public owned and operated utilities, and it is a splendid example of private management.

Our street railway is a white elephant. We operate it at a loss of the sinking fund and interest on the purchase price of the road and the rolling stock and road bed is in very bad condition and will require a lot of money spent on it this year. Our waterworks are in the same condition.

There is certainly a false impression regarding the public owned utilities of this city. None make the city any money (with the exception of the Guelph Junction Railway) which is privately managed, and most of them are white elephants and the city would be better to have them in the hands of private concerns. If that were the case the ratepayers would get better service. Anyone pointing to Guelph as a successful public ownership city should come up for a while and investigate and then he would be satisfied that it is a joke.

A GUELPH RATEPAYER.

February 17th, 1919.

The Great-West Life reports applications for $4,789,655 of new insurance in January and claims that this is the largest business written by any one company in Canada in any one month.

The Stevens Hepner Company, Port Elgin, Ont., broom and brush manufacturers, have recently taken out supplementary letters patent increasing the capitalization of the company from one hundred and fifty thousand dollars to five hundred thousand dolars.

Victory Bonds

(all issues)
1922-1923-1927-1933-1937

Bought–Sold–Quoted

GREENSHIELDS & CO.
Members Montreal Stock Exchange
Dealers in Canadian Bond Issues
17 St. John Street, Montreal
Central Chambers, Ottawa

TENDERS INVITED

For Purchase of

British Forgings, Limited

Toronto, Canada

(Owned by Imperial Munitions Board)

The Largest Electric Steel Plant in the World

Plant in Part Comprises:

Scrap Metal Shed—600′ x 80′, equipped with Travelling Cranes, including Electric Magnets.

Melting House—600′ x 100′, equipped with 10 6-ton Herault Electric Furnaces, with 5 Travelling Cranes and auxiliary equipment.

Forge Shop—300′ x 120′, contains 6 Presses and complete oil furnace equipment.

Power House—80′ x 140′, equipped with Accumulators, Pumps and Auxiliary Machinery.

Site—130 acres, leased from Toronto Harbor Commission.

Dock[illegible]crete dock, accommodating vessels of 24-ft. draught.

Railways—Grand Trunk service at present; in near future service from Canadian Pacific and Canadian Northern Railway. No interswitching charges.

Power—23,000 H.-P. available at $17.50 per H.-P. per annum, with long-term power contract.

Inspection invited. Write for particulars to

R. HOME SMITH

Agent, Imperial Munitions Board

18 KING STREET WEST, TORONTO, ONT.

Phone Adelaide 1590.

BRITISH COLONIAL

Fire Insurance Company

MONTREAL

Report of the Proceedings of the 7th Annual General Meeting

The seventh Annual General Meeting of the Shareholders of the British Colonial Fire Insurance Company was held at the Company's Head Office, 2 Place d'Armes, Montreal, on Wednesday, the Twelfth day of February, 1919.

The following report was presented to the Shareholders :—

This Report is the best which has been presented to you since the Company's inception.

The Premium income shows an increase of **$54,476.44** for the year, and the Income from all sources has increased by **$95,965.17.**

The total receipts amounted to **$411,565.04** and the total disbursements to **$397,958.91.**

The total Assets amount to **$1,178,102.21** and the Liabilities to policyholders to **$155,293.69.**

The Company subscribed **$25,000.**, to the Victory Loan and invested **$8,200.**, in Municipal Debentures.

You have all learned of the death of our associate, the Honourable Ernest F. de Varennes. We have lost a sincere friend, and although he had only been a member of the Board for the last year only he had previously taken an active interest in the Company's affairs.

We wish to express our gratification and thankfulness that the world war has been brought to a victorious conclusion.

The demand for raw material necessary to the reconstruction of devastated countries and to the replacing of property destroyed will be considerable for many years to come, and Canada being specially favoured in this respect our foreign trade should shew a tremendous increase. Furthermore, immigration will be resumed and the work to be done in connection with the development of our country should result in an unprecedented era of prosperity. There will also be a resumption of building operations and the result should be a material increase in our Premium Income in the future. In view of the Company's financial position and with well established Agencies throughout the country, it is well prepared to take advantage of the conditions which will obtain from now on.

We wish to express our thanks to the staff and to the agents of the Company for the great interest which they have taken in advancing the interests of the Company and we feel assured that they will continue to discharge their duties in an efficient and conscientious manner.

In conclusion your Directors declare themselves as being satisfied with the result of the Company's operations, and I have pleasure in proposing the adoption of this report.

Respectfully submitted,
I. L. LAFLEUR, President.

The Report was unanimously adopted.

It was then unanimously resolved that the following shareholders be and they are hereby appointed Directors for the current year, namely: I. L. Lafleur, J. B. Morissette, Nap. Drouin, Hon. Adelard Turgeon, J. E. Emile Leonard, Hon. J. E. Roberge, D. O. E. Denault, Eusebe Huard, L. H. Desjardins, J. Leon Patenaude, Michel Propper, Jean Spycket, Vicomte de Jessaint, Luzarche d'Azay, Dupont-Descat.

At a subsequent meeting of the Directors the following officers were elected: President, I. L. Lafleur, Vice-President, J. B. Morissette, Manager, Theodore Meunier.

Dominion of Canada Victory Loan

Bought — Sold — Quoted

DOMINION SECURITIES CORPORATION LIMITED

HEAD OFFICE: TORONTO 26 KING ST. E.
MONTREAL ESTABLISHED 1901 LONDON, ENG.

SIXTEENTH ANNUAL REPORT

Mount Royal Assurance Company

Report of the President and Directors

To the Stockholders:

The Directors have pleasure in submitting to the stockholders the results of the Company's operations for the year ending 31st December, 1918.

Income.—The premiums Revenue (after deducting reinsurances) amounted to $537,694.91, being $34,409.50 in excess of the previous year's Income. The interest revenue from the investments of the Company, and other receipts, amounted to $76,190.12, making the total Net Income for the year $613,885.03.

Losses.—The Losses paid, including provision for all losses outstanding, and deducting reinsurances, were $260,455.47. This shows a loss ratio of 48.44% on the Premium Income.

Commission and Expenses.—The expenses of management and commission paid to agents, including donation to Red Cross, amounted to $177,810.32. In the expenses the amount of $8,209.55 is charged for improvements, plans and office furniture, which are written off our books, and stand at the nominal amount of $1.00 in the assets.

Profits.—The Net Earnings of the Company amount to $175,619.24, of which $18,325.81 has been transferred to the Reinsurance Reserve Fund, and $157,293.43 carried to Profit and Loss Account.

Reserve.—The Reinsurance Reserve computed in accordance with the requirements of the Department of Insurance now amounts to $326,324.08, and the amount at credit of Profit and Loss account is $575,117.52.

Assets.—The Total Assets of the Company now amount to $1,436,842.12.

Security of Policyholders.—For the protection of the Company's Policyholders, the following amounts are available:—

Paid up Capital	$250,000.00
Reinsurance Reserve	326,324.08
Investment Reserve	63,015.92
Balance at Profit and Loss	575,117.52
	$1,214,457.52

Auditor of Accounts.—The Accounts of the Company have been audited by Messrs. P. S. Ross & Sons, Chartered Accountants, of Montreal, and their certificate is appended hereby.

The total amount of Losses paid since the commencement of the Company's operations in 1903 is $2,692,201.59.

Sumitted on behalf of the Directors. H. B. RAINVILLE, President.
Montreal, February 3rd, 1919.

Business Statement for Year Ending 31st December, 1918

REVENUE ACCOUNT.

Amount of Reserve for unexpired liability at the end of year 1917		$ 307,998.27
Premiums	$971,378.88	
Less—Rebates and Cancellations	107,392.71	
		863,986.17
Interest and Dividends		65,228.16
Revenue from other sources		10,961.96
		$1,248,174.56

EXPENDITURE

Claims paid and outstanding after deduction of reinsurances		$ 260,455.47
Reinsurance Premiums		326,291.26
Commission and Expenses of Management		153,816.37
Improvements, Office Furniture and Plans written off		8,209.55
Government, Municipal and War Taxes		15,784.40
Reserve Fund (Legal Standard)		326,324.08
Carried to Profit and Loss Account	$175,619.24	
Less added to Reserve	18,325.81	
		157,293.43
		$1,248,174.56

PROFIT AND LOSS ACCOUNT.

Balance brought forward, 31st December, 1917	$ 412,501.02
Recovery in depreciation in values of Securities, 1917	17,823.07
Balance (being net profits) from Revenue Account	175,619.24
	$ 605,943.33
Dividend No. 27, paid 1st February, 1918	$ 12,500[illegible]
Transferred to Reserve	1[illegible].81
Balance	575,117.52
	$ 605,943.33

Balance Sheet as of 31st December, 1918

ASSETS

Cash in Banks		$ 175,519.71
Cash in Office		3,116.77
Agents' Balances		101,133.61
Investments:—		
Victory Bonds	$250,000.00	
All other Bonds, Debentures and other interest-bearing securities	895,611.00	
		1,145,611.00
Interest accrued		7,091.38
Sundry Debtors		701.93
Plate Glass Salvage		3,666.72
Furniture and Plans reduced to the nominal sum of		1.00
		$1,436,842.12

LIABILITIES

Capital Paid Up	$ 250,000.00
Reserve Fund	326,324.08
Losses under adjustment	28,687.50
Reserve Deposits of Reinsurance Companies	179,790.54
Balance due to Reinsurance Companies	1,944.46
Investment Reserve	63,015.92
Reserve for War and other Taxes	11,500.00
Sundry Creditors	462.10
Balance at credit of Profit and Loss Account	575,117.52
	$1,436,842.12

AUDITORS' REPORT TO THE STOCKHOLDERS.

We have audited the financial transactions of the Mount Royal Assurance Company, as recorded in the Books of Account for the year ended 31st December, 1918, and have found the same correct and in order.

All disbursements during that period have been properly vouched for, the Bank accounts fully checked, and both the Bank and cash balances verified at the close of the year.

Our audit has covered the checking and verifying of the various revenues of the Company, consisting of Premiums, returns on Investments, etc., while the Bonds, Stocks and other securities owned and held by the Company, have been verified, either by personal inspection or certificate from the Government.

We have established the correctness of the Balance Sheet, drawn from the Books as at 31st December, 1918, together with the Annual Financial Statements, presented herewith. Respectfully submitted,

P. S. ROSS & SONS, Chartered Accountants.
Montreal, 3rd February, 1919.

OTIS & COMPANY
(Established in 1895)
INVESTMENT BANKERS CLEVELAND, OHIO
The Leading Investment House of Ohio.
Members of all Principal Stock Exchanges.
CANADIAN MUNICIPALITIES and CORPORATIONS are invited to consult with us concerning plans for financing, and the distribution of their securities.
OTIS & COMPANY
Investment Bankers
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NEWS OF THE BOND MARKET

BOND MARKET CONTINUES ON THE QUIET SIDE

Business Slackens Largely Because of Dearth of Issues

B.C. BONDS COMING

Comments on the United States Situation, Where Cancellation of Liberty Loan is Favorable Feature

The bond market continues on the quiet side and dealers report a certain slowing down, which is perhaps more attributable to a dearth of offerings than to any slackening of demand. There seems no doubt that there is a strong investment demand for bonds at from 5½ per cent. to 5¾ per cent. or better, but it is a little hard to attract buyers at prices yielding under these rates. Whether prices will tend to come to the buyers' level or whether buyers will have to come to the prices remains to be seen. The opinion seems fairly general that the latter course will have to be followed and dealers are already claiming that they can sell bonds at the higher figures now prevailing. The continued scarcity of offerings may be sufficient to hold prices firm.

In the meantime the situation in the United States is creating a good deal of interest. The prospect that the expected Liberty Loan will be called off is regarded as a decidedly bullish argument for Canadian bonds and the prediction is freely made that if it is actually decided to stop the loan, there will be a great demand for Canadian securities across the line this spring. At the moment American investment bankers are afraid of making any commitments but the minute it is definitely known that the Loan is off there will undoubtedly be a call for our bonds.

Reason for Cancellation

As to the reason for the probable cancellation of the big loan this is probably to be found in the rapid accumulation of funds in the hands of the banks. Rather than float a loan the Government may decide that it is preferable to use the banks and postpone the funding of its obligations until a season when this can be more cheaply accomplished—either that, or until debts can be wiped off through revenue. If this is the probable development in the United States, it is a possible development in Canada and there may be no domestic loan here after all in the fall, a flotation which is already being hinted at.

Loan possibilities in the United States may have an influence on Canadian Governmental borrowings across the line. It will probably be necessary to float a loan there in order to meet maturities this summer and, with the Liberty Loan disposed of, Sir Thomas White should have no difficulty in making his arrangements. The expectation in Canadian bond circles is that a loan will be floated in New York in the later spring or early summer.

British Columbia at Last

From week to week, for some time past, bond dealers have been expecting word from British Columbia regarding an offer of provincial bonds. It has been common knowledge that an issue of $3,000,000 was to be made but Finance Minister Hart has held back from calling tenders until this week. Not unnaturally there is a good deal of interest in bond circles over this issue, as the field is so clean of offerings.

That it will be an attractive flotation is quite evident. Mr. Hart has selected a twenty-year term for the bonds and has given them a 5½ per cent. interest rate. Payment is optional in Toronto, Montreal, Victoria and New York and bonds are offered in denominations of $100, $500 and $1,000, with coupons attached. On all these grounds, coupled with the steadily improving financial position of the province, the issue looks exceedingly good. Tenders are invited for submission up to noon of March 3rd, and tenderers may also submit alternative bids for five year bonds.

The Windsor Sale

The National City Company of New York, which is now established in Montreal and Toronto, figured in the purchase last week of the city of Windsor's latest issue. This is the second considerable Canadian issue taken by the American company, it having already handled a large block of Province of Ontario bonds. The bidding for the Windsor's was lively, some sixteeen bond houses appearing in the list. The issue consisted of $44,270.84, 5½ per cent., 10 instalments; $25,000, 6 per cent., 30 instalments and $46,000, 6 per cent., 20 instalments, $115,270.84 in all. The National City Company paid 101.52 or about a 5.66 per cent. basis. The following tenders were received:

National City Co.	$117,020.08
Æmilius Jarvis & Co.	116,816.27
Dominion Securities Corp.	116,639.10
Wood, Gundy & Co.	116,527.00
A. E. Ames & Co.	116,527.29
G. A. Stimson & Co.	116,495.98
W. L. McKinnon & Co.	116,473.51
Carruthers & Co.	116,418.01
C. H. Burgess & Co.	116,231.75
Canada Bond Corporation	116,226.74
John Stark & Co.	116,162.27
R. C. Matthews & Co.	115,965.00
Morrow & Jellett	115,940.74
W. G. Mackenzie & Co. and Brent, Noxon & Co.	115,884.00
Municipal Debenture Corporation—	
For $25,000	98.74
For 46,000	98.90
For 44,000	96.54

Saskatchewan Schools

The Local Government Board, Regina, recently held a sale of school district debentures and made the following awards: Kemmel Hill S.D., $3,500, 7 per cent., 10 instalments, to J. H. Kern, Moose Jaw, at 100.26; Tuscola S.D., $2,500, 7 per cent., 10 instalments to J. H. Kern at 100.26; Wysla S.D., $2,500, 7 per cent., 5 instalments, to J. H. Kern at 100.30; South Ridge, $2,500, 7 per cent., 10 instalments, to C .H. Burgess & Co., Toronto, at 100.06.

EDMONTON OFFERING

Jarvis & Co. Making Offer of 6 Per Cent. Bonds at Par

An offering of $500,000 of the five-year 6 per cent. gold notes of the City of Edmonton recently awarded is being made by Aemilius Jarvis & Co. The notes are dated Feb. 15, 1919, and are offered at par and interest, principal and interest being payable at Edmonton, Toronto, and New York. Jarvis & Co. point out that Edmonton is the capital of Alberta and situated midway between Winnipeg and the Pacific Coast. It is an important railway centre, surrounded by excellent agricultural country. There are located in the city approximately 100 wholesale houses and numerous diversified industries.

REOPEN TORONTO BRANCH

Royal Securities Corporation Again Have Toronto Agency

Another indication of the renewed importance of the bond business is afforded by the announcement that the Royal Securities Corporation of Montreal had re-opened its Toronto branch. This office was closed a couple of years ago on account of curtailment of staff through enlistments. The new office is located at 58 King Street West, and is under the management of W. P. Nellis, who has for a number of years been associated with the corporation's sales department. The position of secretary is held by Allan G. Gill, who for the last four years has been in France as major in the 45th Battery, C.F.A., and who, prior to going overseas, was associated with Murray, Mather & Co. As in the past, the Royal Securities Corporation will pay particular attention to large industrial and public utility corporation issues.

LONDON AUTHORIZATIONS

City Asks Power From Legislature to Issue Certain Bonds

London's bill before the Ontario Legislature this session calls for the authorization of several money by-laws without obtaining the assent of the electors. These are for the following purposes:

(a) $50,000 debentures to provide moneys for the extension of the storm sewer system of the City of London in the city proper.

(b) $50,000 debentures to provide moneys for the construction of a storm sewer system in West London.

(c) $36,000 debentures to provide moneys for the Public Utilities Commission of the City of London, to pay for urgent and necessary extensions and additions to the waterworks pumping plant and distribution system of the City of London.

(d) $25,000 debentures to provide moneys for the Public Utilities Commission of the City of London, to pay for certain urgent and necessary extensions and additions to the distribution system of the electric light plant of the City of London.

The city's existing debenture debt is shown to be $7,309,263, of which $1,119,243 represent London and Port Stanley Railway debentures.

Ratification of by-laws 5843 and 5844 passed with the assent of the electors on Jan. 20, is also asked for. The former authorizes the issue of $50,000 debentures for the purchase of certain lands for industrial sites; the latter $100,000 for erection of Western University Medical School.

An offering of the issue of $450,000 5½ per cent. 15-year coupon gold bonds of the Province of New Brunswick recently purchased by A. E. Ames & Co. in conjunction with J. M. Robinson & Sons of St. John, has been made this week at 102 and interest, yielding 5.30 per cent. In circularizing clients, Ames & Co. say that "all offerings of Provincial bonds which have recently been made have been almost instantly absorbed. Already most of this issue has been disposed of." Attention is directed to the fact that bonds are payable both in the United States and Canada.

SEVEN HOUSES UNDERWRITE NEW TRAM POWER ISSUE

Will Offer $7,300,000 6½ Per Cent. Bonds at Par

21,000 SHARES

Control of Tramways System as Security—Mainly Used For Retiring Issue of $5,350,000 in April

A syndicate of seven bond houses have underwritten the new issue of $7,300,000 of the 5-year 6½ per cent. secured gold bonds of the Montreal Tramways & Power Company, and the issue will be at par and interest. The terms of the issue follow the lines outlined in THE FINANCIAL POST some three months ago, the chief security behind the issue being a majority of the common stock of the Montreal Tramways Company, 21,000 shares out of the total issue of 40,000. The securities comprise $7,000,000 fully paid 5 per cent. debenture stock of the Montreal Tramways Company, and $2,500,000 5-year gold bonds of the Montreal Tramways & Power Company, which in turn are secured by a trust deed pledging $2,100,000 fully paid ordinary stock of the Montreal Tramways Company. The issue will be used to retire outstanding notes for $5,350,000 maturing April 1 next, and payable in New York.

Intricate Provisions

The prospectus of the syndicate deals with the rather intricate provisions of the new agreement of the Montreal Tramways Company, which was entered into last year through an Act of the Quebec Legislature, and extends for thirty-five years. Under the terms of this the gross earnings of the company are pledged to cover the regular charges including a guarantee of 10 per cent. on the stock of the company. It is provided that if the earnings of the company are not sufficient under existing fares, that fares shall be raised to make the earnings sufficient. This agreement, by the way, constitutes the real basis of the security of the new issue, and very properly the prospectus throws emphasis on this rather unusual agreement the tramways company possesses, to demonstrate the value of the tramways property on security, rather than any special reference to the holding company, Tramway & Power.

First and Second Claims

The first claim on the earnings of the road, then, is for operating expenses of the system. The second is for the creation of a maintenance and renewal fund of at least $500,000. The third provision is for a payment of $2,177,177, which is 6 per cent. on $36,286,285, the valuation of the capital assets of the company, as fixed in the agreement itself. In addition there is provided out of gross earnings 6 per cent. interest on all capital provided for the betterment of the system; also an amount of $181,431 to cover expenses for future financing; a payment to Montreal City of $500,000 to represent rental for the streets of the city; and, finally, the creation of a contingent reserve fund of $500,000 to be available for certain specific purposes. Then, at last, when all this has been provided for, the balance, if any, of the gross profits are to be divided as follows: 20 per cent to the company; 30 per cent. to the city, and the balance of 50 per cent to go to a fund for the reduction of tolls.

It is pointed out that the allowance of a 6 per cent on capital assets, namely, $2,177,177, will cover all fixed charges, bond interest, debenture stock, the common dividend, etc.

Date and Maturity

The date of the issue is March 1, 1919, and the time of maturity March 1, 1924, or five years later. The first interest is payable in two months, on the first of May, 1919, and thereafter every six months, on the first of November and the first of May, until the last payment, which is for four months only, to March 1, 1924. The bonds are issued in denominations of $100, $500, and $1,000, and are subject to redemption at 101.

The syndicate consists of seven firms: Rene T. Leclerc, Versailles, Vidricaire & Boulais; Hanson Bros., L. G. Beaubien & Co., the Montreal Securities Corporation, Credit Canadien, Incorporated; Beausoleil, Limited, and, in addition, all branches of the Banque d'Hochelaga.

The first step in arranging for this very substantial flotation task was made fully five months ago when Mr. Versailles, of Versailles, Vidricaire & Boulais, negotiated with Mr. Roberts, president of Tramways and Power Co., for a tramway service in Montreal East, of which he is Mayor. The knowledge of the company gained then suggested the move that developed to such proportions later, and brought in half a dozen other bond houses as members of a syndicate.

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Government and Municipal Bonds
C.P.R. BUILDING TORONTO

McDonagh, Somers & Co.
Government and Municipal Bonds
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Montreal Tramways and Power Company, Limited

Secured Gold Bonds
Due March 1, 1924

Price: Par and Interest

Full particulars on demand

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Consult Us About Your Investments

We will gladly advise you, without charge, upon the income possibilities of any Government, Municipal or Corporation Bonds.

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Over 200 Corporations, Societies, Trustees, or Individuals have found our Debentures an attractive investment. Terms one to five years.

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FIELD OF MUNICIPAL FINANCE

SURPLUS SHOWN BY MANITOBA IN LAST FISCAL YEAR

Revenue Fell Under Estimate, But So Also Did Expenditures

THE DEBT IS GROWING

Cash Surplus Will be Used to Reduce Amount of Short-date Loans Required During Year

WINNIPEG.—The public accounts of the Province of Manitoba for the year ended November 30 last were tabled by the Provincial Treasurer, Hon. Edward Brown, on Wednesday of last week. Mr. Brown, in the course of a short and concise speech, reported that the entire bonded indebtedness of the province was now $33,900,000, of which $19,300,000 was revenue-bearing, representing investments in telephones, elevators, drainage, judicial districts and farm loans. The balance of $14,600,000 was represented by public buildings and roads. From the latter might be deducted $1,103,000 unexpended balances and $400,000 proceeds from the sale of certain properties, leaving a net debt of approximately $13,000,000, or $21 per head of population.

Revenue Under Estimate

The estimated receipts, Mr. Brown informed the Legislature, were $7,655,347, but the actual receipts fell short of this by $23,799. Among the more important items where the receipts exceeded the estimates, were school lands, $69,899; interest, $33,000; fines, $26,000; corporation tax, $20,000; automobile licenses, $36,000; land tax, $77,000, and telephone rentals, $118,000. On the other hand the items where revenue fell behind the estimate were: land titles office, $30,000; succession duties, $102,500; public amusements, $90,000; Provincial levy, $125,000.

Also the Expenditure

The Legislature last year authorized an expenditure of $7,571,000, but the expenditure actually incurred was $7,308,680. Every department with but one exception spent less than was estimated. Mr. Brown, however, pointed out that the sum of $80,000 provided in last year's estimate for sinking fund had not been paid out, nor an amount of $50,000, being a refund to the telephone department. Even allowing for both these payments, the expenditure would still have been less than the estimate.

The Provincial Treasurer figured a revenue balance for the year, after a careful reckoning of all liabilities, of $382,667. Of this, $258,607 is cash to the credit of consolidated revenue, the balance consisting of advances to capital from revenue, which will shortly be repaid. This cash surplus will be used as a working balance in order to reduce the interest charges on short date loans.

Capital Expenditures

Last year's capital expenditures totalled $2,056,693, from which was deducted $831,569 realized from the sale of buildings at Tuxedo, leaving a net expenditure of $1,225,124. The expenditures included $1,339,775 on the new legislative buildings, $398,845 on good roads, and $97,428 for patriotic purposes.

Provincial assets were placed by Mr. Brown at $74,000,000, an increase of $4,500,000 during the year. The surplus of assets over liabilities was $34,200,000. Among other interesting figures given was the average rate of interest during the war period on bonds, this being 5.88 per cent., and on short date loans of 5.42 per cent.

Budget for 1919

On Wednesday of this week Hon. Mr. Brown introduced the estimates for the current year. Total revenue is estimated at $8,450,000 and expenditures at $8,377,100. The principal item of expenditure will be $1,350,000 required for completion of the Provincial Parliament Buildings.

HYDRO-RADIAL VOTE

Bonds to the Amount of $11,360,363 Proposed to be Issued

On March 15 the electors of Hamilton will vote on a by-law authorizing an agreement between the Hydro-Electric Power Commission of Ontario and certain municipalities for the construction, equipment and operation of an electric railway from Port Credit to St. Catharines. Under this agreement a total amount of $11,360,363 debentures would be issued for deposit with the Commission, these being apportioned as follows:

Township of Toronto	$ 243,087
Township of Trafalgar	538,735
Township of Nelson	374,812
Township of East Flamboro	266,626
Township of West Flamboro	66,669
Township of Barton	284,484
Township of Saltfleet	1,002,296
Township of North Grimsby	424,746
Town of Clinton	473,746
Township of Louth	563,595
Township of Grantham	128,280
Village of Grimsby	101,817
Village of Beamsville	51,469
Town of Oakville	203,098
Town of Burlington	144,536
City of Hamilton	5,869,286
City of St. Catharines	623,750

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED

Feb. 25, Toronto Separate Schools.—$300,000, 5½ per cent. 20-year debentures of the Toronto Separate School Board.—Rev. J. J. McGrand, Treasurer.

Feb. 24, Petrolia.—$10,000, 7 per cent. 10-instalment debentures of the town of Petrolia.—John McHattie, Town Clerk.

Feb. 27, Burlington. — $30,000, 6 per cent. debentures of the town of Burlington.—B. S. Hicks, Town Clerk.

BY-LAWS PASSED OR DEFEATED

Leamington.—$3,500 to pay for a public school site, passed by council, February 4.

Lanark County.—$100,000 in 5½ per cent., 20-year debentures for good roads, passed by county council, Jan. 30.

BY-LAWS REGISTERED

Hamilton.—$400,000 for public school purposes, passed by council, Jan. 28; registered, Feb. 13.

BY-LAWS TO BE VOTED ON.

Feb. 24, Markham.—$5,000 to provide for the cost of alterations to and equipment for the electric light plant.

DEBENTURE NOTES

Sault Ste. Marie.—Upon the recommendation of the City Treasurer, the following city debentures will be offered for sale as soon as the necessary by-law is drawn up. McGregor Ave., storm sewer, $18,000; sanitary sewers, $24,000.50; concrete walks, $9,226.22; total, $51,997.72. The city will also issue debentures for $60,000 to partly cover the cost of the new waterworks system, at the request of the Public Utilities Commission.

Guelph.—The city council on Feb. 17 decided to submit a by-law to the ratepayers under which F. E. Partridge and associates get a loan of $50,000 for 15 years or a $250,000 rubber footwear factory.

Renfrew County.—At the recent meeting of the county council the county clerk was instructed to advertise for tenders for debentures covering the $8,000 grant to the Salvation Army. A by-law will be passed in June to issue $20,000 for good roads.

Ottawa.—Some time ago the ctiy secured permission to issue debentures to the amount of $200,000 and four by-laws for $50,000 each were passed. The board decided to recommend that three of these be cancelled, but that the fourth debenture be sold, the proceeds to cover the loss on the wood and the cost of the wood which the city has on hand or which it will be forced to receive before the contracts are closed. By this time the city will have about 4,000 cords of wood of various sizes and qualities.

Penticton, B.C.—The offer of the British-American Trust Co., for the purchase of $35,000, 6 per cent. debentures, dated May 1, 1918, at 88.45, was accepted.

Moncton, N.B. — The city council on Feb. 11 passed a resolution praying the legislature to authorize an issue of $80,000 debentures for additional street improvements.

SASKATCHEWAN

The following is a list of debentures reported sold from February 3rd to February 8:—

Rural Telephone Companies. — Iron Springs, $400 to Nay & James; East Yorkton, $15,000 to Harris, Read & Co.; South Gravelbury, $850 to W. L. McKinnon & Co.; Zangwill, $1,100 to Goldman & Co., Naseby, $600 to Wood, Gundy & Co.; Kuncora, $700, Banbury, $500 to W. L. McKinnon & Co.

School Districts.—xBorderland, $2,800 to C. M. Gripton, St. Catharines; Dixmude, $2,900 to Waterman-Waterbury Mfg. Co.; Acadia, $2,900 to Waterman-Waterbury Mfg. Co.; Freeland, $2,600 to Harris, Read & Co.; South Porcupine, $1,600 to Waterman-Waterbury Mfg. Co. (x) Sold by the Local Government Board.

The following is a list of authorizations granted by the Local Government Board from February 3 to February 8:

School Districts.—Foxdale, $200.

Rural Telephone Companies. — Spion Kopp, $2,200; Lewiswyn, $700; Richlea, $31,600.

BOND SALES

$12,000 Asbestos at 77; $9,500 Bell Telephone at 95½; $4,000 Canada Bread at 94; $2,200 Can. Cement at 99½ to 98½; $4,000 Can. Cons. Rubber at 95; $3,800 Cedar Rapids at 88⅞ to 88; $4,000 Can. Locomotive at 92⅞; $4,000 Dom. Cotton at 99¾; $1,500 Dom. Coal at 93; $2,000 Dominion Iron at 87¾; $61,000 Elect. Development at 92 to 91; $7,000 Montreal Trams. at 75; $5,000 Nat. Breweries at 90; $7,900 N.S. Steel at 84¾ to 84; $1,000 Ogilvie Flour "B" at 102; $1,000 Sherwin-Williams at 98; $7,500 Steel of Can. at 96 to 94; $37,360 Wayagamack at 87 to 86; $47,200 War Loan (1925) at 98 to 96½; $46,000 War Loan (1931) at 98 to 96; $132,100 War Loan (1937) at 98 to 97; $496,000 Victory Loan (1922) at 100¼ to 99⅞; $358,400 Victory Loan (1923) at 100⅜ to 99⅞; $111,250 Victory Loan (1927) at 102⅝ to 100⅜; $1,077,608 Victory Loan (1933) at 102¾ to 101⅝; $235,300 Victory Loan (1937) at 103¾ to 100¾; $14,200 Montreal (1922) at 101¾ to 100½; $21,400 Montreal (1923) at 102 to 100½.

B.C. REVENUE WELL AHEAD OF EXPENDITURES

Receipts Were Over Two Millions Greater in 1918 Than 1917

PRINCIPAL SOURCES

Province Derived Considerably More Income From Income, Personal Property and Real Property Taxes

Public accounts of the Province of British Columbia for year ending Mar. 31, 1918, indicate a steady improvement in the financial position of the Pacific coast province. The net revenue of the province was $8,882,846, which is nearly $2,000,000 greater than the preceding year. Of this larger revenue, timber licenses contributed $1,797,078, as against $1,759,469; real property tax, $1,013,983, as against $532,106; wild land tax $690,536, as against $521,325; personal property tax $521,206, as against $291,412, and income tax $670,638, as against $296,801. These were the principal sources of revenue.

The net expenditure was $8,073,565, being a reduction of over $1,000,000 and well within the revenue. Thus, for the first time in several years revenue exceeded expenditure. The largest disbursements were on account of interest on public debt, $942,467; civil Government, $1,336,673; education, $1,397,496; roads and bridges, $1,292,481 and miscellaneous, $1,119,686.

Capital assets show an increase from $39,562,443 to $40,158,250. Of this, sinking funds amount to $4,209,284 as against $3,439,135, while properties have been written off to $20,087,267 from $20,255,964. There has been a reduction in stock and debentures from $23,153,146 to $23,071,936. The balance, being excess of capital assets over capital liabilities, is now $16,821,989, an increase of about $700,000 for the year.

Current assets show a decline from $8,047,264 to $6,523,467, the big drop being in Canadian Northern Railway Terminals account, from $4,036,998 to $1,982,238. Current liabilities have increased from $9,475,846 to $9,586,451 and the excess of liabilities over assets is $3,062,984.

LONG TERM BONDS

giving a high interest return may now be obtained.

It is also an advantageous time to sell bonds maturing 1919 and 1920.

Write us for a selected list of high-grade Government and Municipal bonds.

W. A. MACKENZIE & COMPANY
TORONTO - - CANADA

PROCEEDS OF TRAMWAY SALE

Big Discount on Recent Flotation of Company's Bonds

By Resident Representative

MONTREAL. — According to an agreement with the Underwriters, all the money left from the sale of $7,300,000 tramways and power bonds after retiring notes in New York for $5,350,000 must go to the tramways system, and not to the holding Tram Power Company. THE FINANCIAL POST learns that the price paid for the new issue to Tram Power Company by Underwriters was only 92, which means a cost to the company of about 8.1 per cent. for the money, thus proceeds will be only $6,716,000 and retiring notes; interest and exchange will take about $5,620,710, leaving a balance of $1,085,290. Of this, $450,000 goes to Tramways system for 5,000 shares of stock, and the rest will be used to help meet liabilities up to February last, when new contract with the city went into effect, and also extensions made in 1918. In addition to the proceeds of $1,000,000, 5 per cent. debenture stock, about $800,000 will pass to the Tramways Company, clearing up all existing indebtedness. This will place the Tramways Company in a better position to start paying the common dividend again, which has been passed for two quarters.

ANNUAL MEETINGS NEXT WEEK

The annual meeting of Montreal Cottons will be held on Feb. 26, at noon, Montreal. The earnings are expected to exceed those of 1917.

Canada Foundries & Forgings will hold their annual meeting at Brockville on Tuesday, Feb. 25.

The Equitable Life Assurance Society (New York), announce that Major Arthur R. Chipman, of Montreal, has just been appointed its manager for the Province of Quebec, to succeed the late Mr. Seargent P. Stearns. His headquarters will be in Montreal.

We own and offer

The Montreal Tramways & Power Co., Ltd.

Five-Year 6½% SECURED GOLD BONDS
Dated 1st March, 1919. Due 1st March, 1924.
Denominations—$100, $500, $1000.
Principal and Interest payable half-yearly in New York and Canada.
New Franchise extended to 1953.
PRICE: 100 and Interest,
Yielding full
6½%

We highly recommend these Bonds as to Safety and Income return.
Telephone or telegraph at our expense.

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Canada Life Building TORONTO
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WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose.	Purchaser.	Rate	Term	Amount	Price	Basis
Feb. 8	Saskatchewan, phones	Various (see list above)	...	.....	$ 19,150	.....	....
Feb. 8	Saskatchewan, schools	Various (see list above)	...	.....	12,800	.....	....
Feb. 8	Penticton, B.C.	British-American Trust Co.	6%	.....	35,000	88.45	....
Feb. 8	Manitoba, province	British-American Trust Co.	5½%	20-yr.	500,000	.....	....
Feb. 14	Windsor, Ont.	National City Co.	5½+6%	var.	115,2700	101.52	5.66%

Government of the Province of Manitoba

Combined Balance Sheet

As at 30th November, 1918

ASSETS

CASH ON HAND:		$ 2,750,388.60
Available for:—		
Public Works and Undertakings	$1,103,707.91	
Drainage Districts Capital Outlay	33,866.67	
Current Expenditure	258,607.30	
Extinguishment of Bonded Indebtedness and Held in Trust	690,350.40*	
Patriotic Purposes — Unexpended portion of Treasury Bill	663,856.32	
	$2,750,388.60	
INVESTMENTS:		2,791,625.13
Capital Monies	$1,006,670.75	
Sinking, Replacement and Trust Funds	1,784,954.38*	
	$2,791,625.13	
SECURED AND OTHER ACCOUNTS:		8,535,119.38
Secured Accounts—Capital Monies	$ 457,569.86	
Other Accounts—Revenue Monies	675,124.34	
Outstanding Revenue	786,019.23	
	$1,918,713.43	
ADD:		
Land Agreements, Judgments and Succession Duties (see Deferred Balance Sheet)	6,616,405.95	
	$8,535,119.38	
		$14,077,133.11
Dominion of Canada		$12,110,534.56
Public Works and Undertakings (Book Values)		27,828,277.89
Drainage and Judicial Districts:		
Capital Expenditure (Net)		6,143,095.65
Unsold Lands—See Deferred Balance Sheet		13,263,566.95
		$73,422,608.16

LIABILITIES

TREASURY BILLS AND ACCOUNTS PAYABLE		$ 2,900,974.21
Payable out of Revenue:—		
Treasury Bills	$2,425,000.00	
Accounts Payable	46,914.09	
Interest and School Grants Accrued	429,060.12	
	$2,900,974.21	
SINKING FUNDS, REPLACEMENT RESERVES AND TRUST FUNDS:		2,475,304.78
Acquired by Levy	$ 861,572.95	
Appropriated from Revenue	1,038,178.41	
Obtained from Trust Deposits	575,553.42	
	$2,475,304.78*	
STOCKS AND BONDS:		33,890,870.34
Revenue Bearing	$19,347,317.02	
Non-Revenue Bearing	14,543,553.32	
	$33,890,870.34	
PROFIT ON BOND CONVERSION:		449,403.30
SURPLUS:		34,238,688.15
Being excess of Assets over Liabilities:		
Capital Surplus	$14,415,992.67	
Revenue Surplus	238,929.53	
Deferred Surplus	19,583,765.95	
	$34,238,688.15	
		$73,955,240.78
DEDUCT:		
Appropriation of Revenue for Extinguishment of Bonded Debt exclusive of Telephone Appropriation		$ 532,632.62
		$73,422,608.16

NOTE—(*a*) In addition to the above liabilities the Province has guaranteed the Principal and Interest on securities as follows:—

Canadian Northern Railway Securities	$25,663,553.33
Municipal Debentures, etc.	1,685,329.55
Manitoba Farm Loans Association Securities	1,773,806.46
	$29,122,689.34

(*b*) The Province has also guaranteed the interest only on Municipal Debentures of a total par value of $99,500.00 and has guaranteed the rentals payable to the Northern Pacific Railway Company in respect of certain railways in Manitoba leased.

Correct,

J. G. STEELE,
Comptroller-General.

The Keystone of the Arch

Nothing known in building is stronger than the arch—the symbol of the mutual principle in life insurance. The centre of the arch is the keystone—and "The Keystone of a Life Insurance Organization," says W. O. Chapman, "is Management." The three leading constituents in good management are INTEGRITY, ECONOMY and EFFICIENCY. It is well known that the secret of the extraordinary success of the Mutual Life of Canada has been the rigid adherence of managers and directors through fifty years of history to these essential things. It is due to these that in spite of more than four years of devastating war, followed by a blighting pestilence, with the immense losses entailed, yet the strength of the Mutual Life of Canada is unshaken. The keystone ensures the solidity of the organization, and there is no other better qualified to defy the tooth of time than—

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO : : ONTARIO

SOLID GROWTH

Up-to-date business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years, and have more than trebled in the past eleven years.

To-day they exceed by far those of any Canadian life assurance company.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE - MONTREAL

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STERLING TRUSTS CORPORATION

A SHREWD INVESTOR
The average investor, and more particularly the successful one, distributes his investments over several classes of securities, in which he frequently includes Guaranteed Mortgage Investment Certificates of this Corporation.
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HEAD OFFICE - TORONTO

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.

TOTAL ASSETS $2,387,634.14

A Canadian Company Investing its Funds in Canada

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The Independent Order of Foresters

Furnishes a Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.
Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.
Policies issued from $500 to $5,000. For further information and literature, apply to

Benefits Paid 63 Million Dollars

FRED J. DARCH, Secretary W. H. HUNTER, President S. H. PIPE, F.A.S., A.I.A., Actuary
HEAD OFFICE - - - TORONTO

5½ INTEREST RETURN

INVEST YOUR SAVINGS
In a 5½% DEBENTURE of
The Great West Permanent Loan Co
SECURITY

Paid-up Capital	$2,412,566.31
Reserves	756,580.13
Assets	7,168,537.29

HEAD OFFICE, WINNIPEG
BRANCHES: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

These Questions Affect *YOU* Can You Answer Them?

1. Will the ending of the war help or hurt the price of such stocks as Baldwin, Bethlehem Steel, Midvale, etc.?
2. Are the coppers "peace" stocks or "war" stocks? What class do the automobile stocks come in? The oils?
3. Among the rails, are the standard dividend-payers or the low priced non-dividend payers the thing to buy?
4. As the war draws to its end, what is likely to be the course of interest rates? How will that affect the price of bonds?
5. Which are the best bonds to hold—the high-income producers or the old line investment issues?
6. Are short term notes or long term bonds the better proposition at present?
7. Does the putting into effect of the new tax law mean a general reduction in industrial dividends?
8. Can the stock market rise in the face of the tight money situation?
9. New influences on security prices are beginning to become operative. Do you know how to go about adjusting your investments so that you will be helped and not hurt?

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THE INVESTMENT WEEKLY
42 BROADWAY NEW YORK

INVESTORS' INSURANCE NOTES

DOMINION LIFE FINISHED 1918 IN STRONG POSITION

Came Through Very Trying Year With Satisfactory Results

RECORD BUSINESS

Wrote More Insurance Than Ever Before and Met Exceptionally Heavy Losses in a Most Creditable Manner

With the closing of its books on December 31, 1918, the Dominion Life Assurance Co. completed its thirtieth year of business. In many respects the year just closed was the most noteworthy in the history of this eminently successful young institution. Not only was a much larger business written than ever before but in all other respects, such as gain in assurances in force, increase of assets, enlargement of income and maintenance of earning power, the company made a most creditable showing. It also demonstrated its ability to perform those functions which are of paramount importance in the business of life insurance,—the providing of funds to assist in the support of those widowed or orphaned by the loss of wage-earners,—in a way and under circumstances that showed how well its affairs have been managed.

During 1918, the Dominion Life issued and revived policies to a value of $6,504,902, which represented a gain of $1,530,732 over 1917 and was by far the largest total in the experience of the company. Deducting terminations of various kinds, there was added to the assurances in force $4,271,739, bringing this item up to $26,543,570. This addition, representing 65.6 per cent. of the new business, is an exceedingly gratifying performance.

The payments made to policyholders claimed $539,802 of the year's expenditures, being well over $200,000 more than in the previous year. Of this sum $289,606, or over half, was disbursed in death claims, this company with only $123,858 in 1917. Other payments to policyholders were on a larger scale than the year before, matured endowments at $85,968 being over twice the amount called for in 1917 and dividends, $111,243 being $30,000 greater.

There is to be noted an increase for the year in the dividend paid to shareholders from $17,099 to $24,000, while all other expenses are up from $267,287 to $305,160, a very reasonable increase in view of the large expansion in business. On the other hand income shows a large increase. The premium income has grown from $707,636 to $881,688 and the interest income from $290,880 to $326,461. The excess of income over expenditure is $377,867, which is less than $13,000 under the figure of 1917 and, considering the heavy death losses, is a very satisfactory balance.

Growth of Assets

Total assets of the company now stand at $5,499,535, an increase for the year of $821,659. As has been the experience with other companies the principal growth has been in the holdings of bonds and debentures from $661,624 at the end of 1917 have increased to $1,431,460 at the end of 1918. On the other hand mortgages show a falling-off from $3,050,064 to $2,601,001, while real estate has increased from $189,123 to $678,923. Policy loans have experienced a slight increase and now total $308,034. On invested assets, the company has earned at the high average rate of 7 per cent. This on account of the large purchases of 5½ per cent. war bonds made during the year is about .9 per cent. less than the 1917 rate but is still among the highest rates earned by Canadian companies.

The net reinsurance reserve has been increased between 1917 and 1918 from $3,503,052 to $3,936,401. Outstanding death claims stand at $119,860, as against $66,100 a year ago. The shareholders' surplus account has grown from $42,439 to $56,416. The special contingency fund remains intact at $100,000. After providing for all other liabilities, including paid-up capital, the surplus stands at $598,141, comparing with $687,086 at the end of 1917. This comparatively small reduction in the surplus, which the Dominion Life has experienced in common with practically every life company, may be regarded as a very small payment, considering the burden which the company has had to bear. It is in an excellent position to make good the deficiency with a return to normal conditions.

LONDON MUTUAL

Company Shows Reduced Liabilities And Increased Surplus

Salient features of the annual statement of the London Mutual Fire Insurance Company of Canada for 1918 are the decrease in liabilities, coupled with an increase in surplus. The latter shows an increase of $7,258.30, having grown from $157,059 to $164,317. Liabilities have decreased by $22,772. There was an increase in gross premiums of $6,924 and in net premiums of $26,894. The company found the past year a heavy one for losses, particularly in Ontario, where the claims cut down the very favorable showing made in the other provinces. However, 1919 is starting out much better and for January and February losses have been considerably less than for the corresponding months of 1918.

CAPITAL LIFE'S 1918 EXPERIENCE

Wrote Over a Million of New Business and Added 63% of This to That in Force

During 1918 the Capital Life Assurance Company of Canada went through practically the same experience as regards the writing of new business, the gain in assurance in force, the expansion of assets and income and the payment of heavy death losses as other Canadian life companies, and it emerged from the ordeal with equal credit to itself. There was issued slightly over $1,000,000 of new assurances. The net gain in the amount of business in force was $632,839, or well over 60 per cent. of the new business, and the assurances on the books at the end of the year totalled $4,500,000.

Income and Assets

There was a substantial gain in both income and assets during the year. The former showed an expansion from $145,281 to $196,651 and the latter from $407,568 to $487,448. Of these assets the company holds $277,378 in bonds and debentures, this company with $274,943 at the end of 1917. $68,000 stands invested in mortgages, as against $77,000 a year ago. Policy loans amount to $17,140, as against $10,683 and there is cash on hand of $80,211. The rate of interest earned on invested assets was 6.58 per cent., an increase of .12 per cent. for the year.

The net reinsurance reserve amounts to $337,222, an increase of about $87,000. Unsettled death claims stand at $14,675, a very slight increase. Capital stock paid-up amounts to $129,285 and there is an excess of assets over all liabilities and capital of $1,014, being about $5,000 less than at the end of 1917. This is a small decline when regard is had to the heavy mortality experience of the year.

STRATHCONA FIRE MAKES GOOD RECORD

Claims Requirements Down to 41% of Premium Income —Other Costs Low

A number of favorable elements stand out in the report of the Strathcona Fire Insurance Company as presented to the shareholders at the annual meeting this week. One of the strongest features is supplied in the ratio of the losses to premium receipts. Out of a total of net premiums of $167,220, the claims' requirements amounted to only $69,822, but little more than 40 per cent., or 41.07 worked out to an exact ratio. The ratio for commission and expense—$75,834 in all for the year—represents only 45.05 per cent., as compared with 47.05 per cent. in 1917, far below the average rate. These favorable figures left a net profit of $26,335, out of which $6,200 was transferred with the reserve for unexpired risks.

Exercised Care

There is evidence thus, that the Strathcona Fire Insurance Company has exercised a commendable discrimination in its efforts to secure new business, and that this care shown in accepting risks is resultive in favorable financial returns.

The record for 1918 shows that the total premiums written (representing growth over nine years) amount to $263,040, an increase of $23,816 over the preceding year. After allowing for cancellations and insurances the net premiums amount to $167,220.

In addition to the unexpired risk reserve of $112,541, there stands subscribed capital of $300,000, of which $120,000 is paid up.

The company has formed a valuable connection with the members of the Council of Notaries of the Province of Quebec, a large number of whom are shareholders, and hence work with greater incentive for the development of the company's business.

The chief officers of the company are A. A. Mondou, N.P., president and general manager; J. H. Olivier, N.P., vice-president, and J. Marchand, secretary-treasurer.

MOUNT ROYAL ASSURANCE HAD A RECORD YEAR

Net Earnings Showed Good Increase Over 1917

SUBSTANTIAL GROWTH

Record of Increases in the Past Ten Years Indicates That Company Has Enjoyed Large Business

The sixteenth annual report of the Mount Royal Assurance Company as presented at the annual meeting this week shows excellent progress for the year. The premiums revenue showed a gain of $34,409 over 1917, being $537,697, while other revenue brought the net income for the year to $613,885 compared with $563,559. The losses on the other hand, amounted in all to $260,455, a loss ratio of 48.44 per cent. on the premium income, a slight gain over the percentage of 48.95 of 1917.

The net earnings of the company amounted to $175,619, compared with $142,634 in 1917. Of this total $18,325 was transferred to the Reinsurance Reserve Fund, while $157,293 was carried to Profit and Loss Account. The Reinsurance Reserve now amounts to $326,324. The amount at credit of Profit and Loss is $575,117, compared with $412,501 in 1917. During the year the assets of the company have increased nearly $237,000 from $1,199,903 to $1,436,842.

The expense of management, and commission paid to agents, including Red Cross donation amounted to $177,810. In 1917 the total was $174,550 which was 34.68 per cent. of the premium income for the year.

It is noted that an amount of $17,823 for depreciation of securities during 1917, has been wiped out during the year.

For the protection of the policy holders there is available a total of $1,214,457 of which $250,000 is paid-up capital, $326,324 reinsurance reserve, $63,015 investment reserve, and $575,117 balance at profit and loss. The total amount of losses paid since the beginning of the company's operations in 1903 is $2,692,201.

The assets include $250,000 in Victory bonds, and $895,611 in other securities.

In the past ten years the company's gross income has increased from $201,605 to $940,175; the investments from $135,371 to $1,145,611; the reserve from $65,000 to $326,324; the surplus from $35,091 to $575,117, and the excess of income over expenditure from $20,212 to $175,619. The dividends paid stockholders amounted to $314,007.

The president of the company is Hon. H. B. Rainville, and the joint managers, P. J. Perrin and J. R. Macdonald.

TWO GOOD REPORTS

Western and British America Companies Made Progress in 1918

Figures for 1918 of the Western Assurance Company and the British America Assurance Company were issued during the week. The former company reports a total income of $6,693,696, being a decrease of $581,000 from 1917. Expenditure, however, was substantially reduced so that the balance was increased by $880,949 to $2,312,911. Assets have increased by $763,950 and now amount to $7,157,538. The surplus to policyholders has expanded from $2,007,399 to $2,468,584.

The report of the British America Assurance Co. for 1918 shows a total income of $4,112,061, an increase over 1917 of $198,085, with total expenditure of $3,860,716, against $3,187,185. The balance at the end of the year of $1,525,269 is an increase of $239,571 over the year previous. Total assets stand at $4,041,699, an increase of $519,680, chiefly in Government bonds, which have risen from $371,316 to $775,561. The surplus to policyholders on the Government basis is $1,098,564, compared with $1,039,195 a year previous.

A more detailed review of both statements will be made next week.

GORE DISTRICT FIRE

Company Completes Eightieth Year With Satisfactory Report.

The 80th annual meeting of the Gore district Mutual Fire Insurance Co. was held in Galt, on Monday, Feb. 3, when a satisfactory statement was presented. At the close of the year 18,521 policies were in force, insuring $33,184,016, an increase of 812 policies and $2,523,063 insurance. Premium income amounted to $222,455 and interest earnings and rent to $35,005, being increases of $12,529 and $3,960 respectively. There was an excess of receipts over expenditure of $64,266, which was somewhat less than in 1917. A refund of 25 per cent. of all mutual premiums received during the year will be made to members of the company who were in good standing on December 31. This refund will be given in the form of a credit on the next instalment falling due. Losses paid during the year were 349 in number and amounted to $110,067.

SUGAR PRODUCTION

War Causes Some Big Dislocation in the Industry

NEW YORK.—The war has caused big dislocations in the sugar industry, the most marked changes being the largely increased production in Cuba and the decreased European beet sugar production. For example, in 1917-1918 season, Cuba produced, according to Willett & Gray, about 3,446,083 tons, against production for 1913-1914 of 2,597,732 tons, an increase of 848,351 tons in production during the war.

World production of sugar for 1917-1918, according to Willett & Gray, was 16,814,793 tons against 18,667,399 tons for 1913-1914, showing a decrease during the war of 1,853,000 tons.

It should be pointed out, however, that world sugar production for 1913-1914 was a record, and it is significant that the world's output should have decreased only 1,853,000 tons from it, despite the 4,356,000 tons decrease in European beet sugar output.

For the well groomed man
TEXEND BRACES
Finer than the imported
The Dominion Suspender Co. Limited
NIAGARA FALLS, ONT.

ASSESSMENT SYSTEM
CANADIAN ORDER OF CHOSEN FRIENDS
HEAD OFFICE. HAMILTON, CANADA.

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

Dr. J. W. Edwards, M.P., Grand Councillor. W. F. Montague, Grand Recorder.
W. F. Campbell, Grand Organizer. J. H. Bell, M.D., Grand Medical Ex.
HAMILTON - ONTARIO

British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance.
HEAD OFFICE - - LONDON
BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, O.B.E., Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.
Assets, over - - $3,500,000.00
Losses paid since organization, over - $43,000,000.00

Western Assurance Company
Fire, Marine, Explosion and Automobile Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Assets over - - $6,000,000.00
Losses paid since organization over - - $70,000,000.00
BOARD OF DIRECTORS: W. B. Meikle, President; Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, O.B.E., Lt.-Col. the Hon Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.

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Route Your Shipments CANADIAN NATIONAL

DOMINION POWER SHOWED RECORD GROSS EARNINGS

Earned Over Three Millions During Year Just Closed

THE NET WAS LESS

Owing to Higher Costs Net Earnings Were Under 1917 Level, But General Results Satisfactory

It was entirely to be expected, in view of the many adverse conditions under which public utility companies have been operating, that net earnings of such a company as Dominion Power and Transmission should reflect the unfavorable experiences of the past year. Not only were costs of labor and material increasingly burdensome but, as the president, J. R. Moodie, points out in the report of the directors, the epidemic of influenza had an adverse influence on traffic. So far as gross earnings were concerned there was an increase, but net earnings experienced a falling-off from $1,233,514 to $1,160,177. At $3,204,644, gross earnings established a new record. The showing for the past eleven years with respect to gross and net earnings is as follows:

ELEVEN YEARS' RECORD

Year	Gross Earnings.	Net Earnings.
1908	$1,600,321	$ 625,680
1909	1,691,696	727,747
1910	1,922,398	861,324
1911	2,251,247	1,018,987
1912	2,563,371	1,203,912
1913	2,737,806	1,281,814
1914	2,395,967	1,005,121
1915	2,353,956	1,001,955
1916	2,693,211	1,233,610
1917	2,967,273	1,233,514
1918	3,204,644	1,160,177

The distribution of profits is indicated in the following table, a comparison being made with the corresponding items for 1917. It will be noted that the same proportion of maintenance and renewals was somewhat less, whereas interest charges were greater. The explanation of the heavier interest charges, in view of a reduction in bonds outstanding from $8,568,000 to $8,434,000, is probably to be found in the larger bank overdraft, which from $126,920 in 1917 has been enlarged to $371,003 in 1918. Adding the balance from 1917 of $723,963 to the surplus of $664,271 earned in 1918, there was a total of $1,388,234 available for dividends, which were paid at the usual rate, leaving the balance at the substantial figure of $853,033.

	1918	1917
Gross earn.	$3,204,645	$2,967,273
Expenses	2,044,467	1,733,759
	$1,160,177	$1,233,514
Replacements	$ 58,992	$ 111,709
Interest	436,913	395,585
Surplus earn.	$ 664,271	$ 726,219
Bal. forward	723,963	536,061
	$1,388,234	$1,262,280
Bad debts	$ 1,208	$ 3,164
Dividends	533,993	535,153
Balance	853,033	723,963
	$1,388,234	$1,262,280

Balance Sheet

There has been a slight expansion in assets from $23,469,934 to $23,737,146. Properties are up from $23,074,377 to $23,169,766 and holdings of Victory bonds from $2,500 to $100,000, while bonds purchased for the sinking fund from $25,332 have been reduced to $7,498. There is a slight increase in accounts receivable and stores. On the side of liabilities, reference has already been made to the enlarged bank overdraft and the reduction in bonds outstanding. There has been no change in the capital stock. Maintenance and renewals are up from $500,012 to $534,778, while reserve and profit and loss show an increase of $163,836.

Steam Power Effective

Reference is made in the report to the steam power station which has at many times during the year given evidence of its value. President Moodie says: "The effect of this installation on continuity, steady voltage, and facility of maintenance of the whole system, has proven to be so marked that the service may be regarded as being in a separate and distinctly higher class as compared with that of ordinary long distance transmission systems without supplemental steam generation."

Brief reference is also made to the trouble between the Hamilton Radial Electric Railway and a section of the ratepayers of Burlington "who succeeded in blocking action (for increase of rates) causing great inconvenience not only to the other municipalities but to the majority of their own citizens."

Route Your Shipments CANADIAN NATIONAL

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Feb. 20. In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Bank	Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings % 1917-18	Dividends 1915	1916	1917	Last Dividend Date 1918-19	Rate	Yield to Feb 13
British North America	4,866,666	3,017,333	428,844	13 70	7	7	8	5th Oct.	s. 4	4.84
Commerce	15,000,000	15,000,000	1,444,812	19 00	10+2	10+2	10+2	3rd Dec.	2½+1	4.80
Dominion	6,000,000	7,000,000	393,004	17 75	12	12	12	2nd Jan.	q. 3	5.58
Hamilton	3,000,000	3,300,000	232,421	19 95	12	12	12	2nd Dec.	q. 3	5.97
Hochelaga	4,000,000	3,700,000	45,022	14 13	9	9	9	3rd Dec.	q. 2¼	5.08
Imperial	7,000,000	7,000,000	1,204,942	16 92	12	12	12	1st Feb.	q. 3	5.80
Home Bank	1,946,806	300,000	145,238	11 15	7	5	5	2nd Dec.	q. 1¼	4.42
Merchants	7,000,000	7,000,000	437,973	17 66	10	10	10	1st Feb.	q. 2¾	5.78
Molsons	4,000,000	4,800,000	151,826	15 38	11	11	11	2nd Jan.	q. 2¾	5 64
Montreal	16,000,000	16,000,000	1,664,893	15 48	10+2	10+2	10+2	2nd Dec.	q. 2½+1	4 70
Nationale	2,000,000	2,000,000	59,965	20 88	8	8	8	1st Feb.	q. 2¼	6.08
Nova Scotia	6,500,000	12,000,000	560,269	19 92	14	14	14	2nd Jan.	q. 3½	5.18
Ottawa	4,000,000	4,750,000	118,179	15 40	12	12	12	2nd Dec.	q. 3	5.76
Royal	12,911,700	14,000,000	564,264	18 02	12	12	12	2nd Dec.	q. 3	5.71
Standard	3,500,000	4,500,000	227,326	19 91	13	13	13	1st Feb.	q. 3¼	6.21
Sterling	1,216,932	350,000	40,873	15 38	6	6	6	15th Feb.	q. 1½	6.12
Toronto	5,000,000	6,000,000	555,306	16 05	11	11	11	2nd Dec.	q. 2¾	5.45
Union	5,000,000	3,400,000	106,624	15 26	8+1	8+1	8+1	2nd Dec.	q. 2¼	5.62

Bank	Range 1915 High	Low	Range 1916 High	Low	Range 1917 High	Low	Range 1919 to Feb. 13 High	Date	Low	Date	Close Feb. 21 1918 Ask	Bid	Close Feb. 20 Ask	Bid	Week ending Feb. 20 High	Low	Close	Sales	Montreal Minimum
British North America	145	145	112	110	112	112													112
Commerce	205	203	203	183	188	182½	215	Jan. 9	201	Jan. 2	185		205		206	205	205	46	185
Dominion	229½	227	220	204	212½	202	219	Jan. 20	210	Jan. 3	202								202
Hamilton	208	201	197	246¾	192	184	209	Jan. 15	200	Jan. 9			189		201	189	201	147	184
Hochelaga	150	149	149	145	145	140	148	Jan. 15	147	Jan. 13			146¾	146	148	148	148	3	140
Imperial	214	210	203	180	200⅛	185	210	Jan. 20	202½	Jan. 2				206	206⅛	206	206⅛	7	185
Home Bank																			
Merchants	180	180	180	150	170	167	192	Feb. 1	180	Jan. 2			193	190¾	190	190	190	24	167
Molsons	202	200	195	182	186	179½	200	Jan. 17	179½	Jan. 3			200	189	195	195	195	81	179½
Montreal	240	234	240½	219	234	210	216½	Jan. 21	212	Feb. 5			213⅛	211⅛	212½	212	212½	15	210
Nationale	132¾	132¾	134	134	149	134													148
Nova Scotia	265	261	261	254	257½	248½	272	Jan. 29	255	Jan. 4	248		270		270	270	270	2	201
Ottawa	207	207	204	202	202	200	208	Feb. 1	203	Jan. 4									198
Royal	223	221¼	221¼	210	214	208	214	Jan. 2	208	Feb. 11			206	204	208⅛	205	208	76	208
Standard	220	215	221	211¼	215	200	215	Jan. 13	209	Feb. 4	200								200
Sterling	98⅛	98																	
Toronto	211	207	215½	190	192	187½	205	Feb. 4	193	Jan. 6			20[illegible]	200⅛	201⅛	201	201	116	187
Union	140½	140	140	132	142	135	171	Jan. 7	159	Jan. 31		140							136

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Company	Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1916	1917	Last Dividend Date	Rate	Yield
Barcelona, T. L. and P.	27,450,000	8,483,500	50,867,325						
Brazilian Traction L. and P.	106,417,800		7,500,000	5,190,986	4	1	1st Mar. 17	q. 1	
Brazilian Traction, Pref.		10,000,000			6	6	1st Jan.	q. 1½	
Canada Steamships Lines, Com.	12,000,000		7,896,366	2,374,754					
Canada Steamships Lines, Pref.		12,500,000			5¼	19.83	2nd Jan.	q. 1¾	9.01
Canadian Pacific Railway	260,000,000	80,681,921	271,934,882	240,909,813	10	10	1st Jan.	q. 2½	6.25
Detroit United	15,000,000		35,326,500	7,978,243	6¾	7¾	1st Dec.	q. 2	6.66
Duluth Superior Traction Co., Com.	3,500,000	1,500,000	3,500,000	622,620		2	2nd Jan.	s. 1	4 87
Illinois Traction, Com.	12,331,000		4,562,000	1,726,008	3	3			
Illinois Traction, Preferred		7,289,500			6	6	2nd Jan.	q. 1½	7.50
Mexico Tramways Co.	20,000,000		16,381,333				1st Nov. '13	q. 1¾	
Minn., St. P. and S.S.M., com.	25,206,800	12,603,400	87,369,600	19,911,878	7	7	15th Oct.	s. 3½	
Montreal Tramways	3,394,300		35,608,153	1,256,449	10	10	2nd Jan.	q. 2½	6.66
Northern Ohio Traction	9,000,000	4,465,500	14,075,000	2,428,908	5	5	15th Sept.	q. 1¼	6.84
Porto Rico Railways Co., Com.	3,000,000		3,931,666	173,084			1st Oct. '14	p. 1	
Porto Rico Railways Co., Pref.		1,000,000			7	7	1st Jan.	q. 1¾	8.75
Quebec Railway L., Heat & P. Co.	9,999,500		10,797,000	684,572			15th Jan. '12	q. 1 p	
Toronto Railway	12,000,000		2,957,200	6,273,472	8	8	2nd Jan.	q. 1	8.88
Twin City, common	22,000,000	3,000,000	20,263,000	1,285,804	6	6	2nd Jan.	q. 1	8.70
Winnipeg Electric	9,000,000		10,880,000	1,407,658			1st Jan. '16	q. 2½	

Company	Range 1915 High	Low	Range 1916 High	Low	Range 1917 High	Low	1919 High	Date	Low	Date	Close 1918 Ask	Bid	Close Feb. 20 Ask	Bid	Week High	Low	Close	Sales	Montreal Minimum
Barcelona, T. L. and P.	17⅞	7⅜	17	19	17	8	13¼	Jan 10	10¼	Feb. 7	10	9⅛	10¼	10	10¼	10	10¼	335	
Brazilian Traction L. and P.	59¾	45	62⅝	43	47¾	31¾	55	Jan 16	50	Feb. 4	35		51½	51	52	50¾	51	1,138	32
Brazilian Traction, Pref.																			
Canada Steamships Lines, Com.	20	6	45	16	45⅝	29¾	45⅞	Jan. 2	41⅛	Feb. 2	42¼	41⅛	43⅛	43⅛	43¾	43	43¼	640	39¾
Canada Steamships Lines, Pref.	76½	59	95½	89¾	93¾	71	79¼	Jan. 22	77½	Feb. 4	77½	77	77⅞	77	77⅝	77	77	291	72⅞
Canadian Pacific Railway	195½	139¾	182½	163¾	167⅛	127¾	160	Jan. 9			147	145½							
Detroit United	73	62	128⅛	69	128	104¾													102⅞
Duluth Superior Traction Co., Com.	60	55	49	37	51	40													41
Illinois Traction, Com.																			35
Illinois Traction, Preferred	93	91	91	87¾	89	79	80	Feb. 1			80								80
Mexico Tramways Co.																			
Minn., St. P. and S.S.M., com.	126¾	116½																	
Montreal Tramways	220	220			181	144													150
Northern Ohio Traction	73	73																	
Porto Rico Railways Co., Com.	51	45	49½	30	42	30	35	Feb. 8	33	Feb. 6									
Porto Rico Railways Co., Pref.			30		80	80													
Quebec Railway L., Heat & P. Co.	20½	9⅛	45	14	35½	14¾	19	Jan. 21	17⅛	Feb. 7	19	18	18	17⅞	18	16½	18	1,440	15
Toronto Railway	117½	111	111	72	90½	58½	55	Jan. 4	44	Jan. 28	61	60	51	50	50	43¾	49½	413	58
Twin City, common	101	93	101	93⅜	95	63	46	Feb 5	39	Jan. 2	66	64½							
Winnipeg Electric	186½	180	110	90	81	36	45	Jan. 4	35	Jan. 16	48			48	48⅛	45	48	334	48

TELEGRAPH, LIGHT AND POWER UTILITIES

Company	Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1916	1917	Last Dividend Date	Rate	Yield
Bell Telephone	18,000,000		11,149,000	2,181,025	8	8	15th Jan.	q. 2	6.15
Consumers Gas	5,336,340				10	10	2nd Jan.	q. 2½	6.62
Calgary Power	1,900,000		2,999,813	177,747					
Mackay, common	41,380,400			1,918,452	5	1½	2nd Jan.	q. 1½	8.05
Mackay, preferred		50,000,000			4	4	2nd Jan.	q. 1	6.15
Mexican Light and Power Co., com.	13,585,000	6,000,000	21,073,833	318,522			30th Dec. '13	th. q. 1	
Montreal L., H. and Power Cons.	63,965,800			1,585,313		4	15th Feb.	q. 1	4.54
Ottawa, Light, Heat and Power Co.	3,483,520		1,275,000	805,499	6	6	1st Jan.	q. 1½	7 50
Shawinigan Water and Power Co.	15,000,000		12.8 8,761	2 992 348	7	7	10th Jan.	q. 1¾	6.08

Company	Range 1915 High	Low	Range 1916 High	Low	Range 1917 High	Low	1919 High	Date	Low	Date	Close 1918 Ask	Bid	Close Feb. 20 Ask	Bid	Week High	Low	Close	Sales	Montreal Minimum
Bell Telephone	159	140	152	140	150	129	130	Jan. 2	129⅛	Feb. 1			130		130	129	130	16	125
Consumers Gas	185	176	176	160	165⅛	147	151	Feb. 1	150	Jan. 4	146½		152	151	152	152	152	325	144⅛
Calgary Power																			
Mackay, common	70¼	65	69¼	64½	90	70¾	75½	Jan. 3	71½	Jan. 23	79	78	78	76½	77	74	77	190	
Mackay, preferred	46	46	15	15	68	59	65⅛	Jan. 10	64¼	Jan 28		61⅛		65	66	65¾	65¾	125	
Mexican Light and Power Co., com.																			
Montreal L., H. and Power Cons.					82⅞	67⅛	88¼	Jan. 2	84⅛	Feb. 2	75	74¾	89⅝	89⅛	90	89	89⅛	4,194	68⅛
Ottawa, Light, Heat and Power Co.	123	120	95¼	92	92	69¾	80¾	Jan. 30	75	Jan. 18									69⅛
Shawinigan Water and Power Co.	139⅛	110	137	126¾	130⅛	107	116½	Jan. 17	114⅛	Jan. 13	113	112½	116½	115¾	117¾	115½	117	8,026	107¾

INDUSTRIALS AND MISCELLANEOUS

Company	Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1916	1917	Last Dividend Date	Rate	Yield
Abitibi Power and Paper, com.	5,000,000	1,000,000	5,953,200	632,047	1¾	7	2nd Jan.	1¾	13.72
Amer. Cyanamid, com.	6,514,000	7,895,200		525,402					
Ames Holden McCready Co., com.	3,500,000		1,563,666	507,408					
Ames Holden McCready Co., pref.		2,500,000					1st July '14	q. 1¾	9.58
British Col. Fish, com.	4,265,600				4	4	21st Feb.	q. 1¼	10.20
Brompton Pulp and Paper, com.	7,000,000	2,000,000	1,524,000	319,825		5	7th Feb.	1¼	8.62
F. N. Burt Company, com.	750,000			497,863	6	6	2nd Jan.	q. 1½	7.31
F. N. Burt Company, pref.		1,975,200			7	7	2nd Jan.	q. 1¾	7.69
Canada Bread, com.	2,500,000		3,750,000	153,523		2	2nd Jan. '17,	2	
Canada Bread, pref.		1,250,000			7	7	2nd Jan.	q. 1¾	8.33
Canada Cement, com.	13,500,000		7,055,073	3,746,999	4½	6	10th Jan.	q. 1½	9.23
Canada Cement, pref.		10,500,000			7	7	16th Feb.	q. 1¾	7.36
Canadian Car and Foundry, com.	4,963,700		5,385,603	3,340,063			2nd June '14	s. 2	
Canadian Car and Foundry, pref.		7,500,000					10th Jan.	q. 1¾	8.33
Canadian Converters	1,733,500		399,000	541,711		3	15th Feb.	q. 1¼	10.63
Canadian Cottons, Limited, com.	2,715,500		4,688,[illegible]	1,9[illegible]	3	4	4th Jan.	q. 1½	
Canadian Cottons, Limited, pref.		3,661,500			6	6	1st Jan.	q. 1½	7.89
Canadian Fairbanks-Morse, pref.	92 600 000	1,500,000		1,340,439	3	9	15th Jan.	s. 3	
Canadian Foundries & Forgings, com.	[illegible]60,000		346,100	1,128,281	10+9	12+3	15th Feb.	q. 3	6.25
Canadian Foundries & Forgings, pref.		960,000			7	7	15th Feb.	q. 1¾	7.21
Canadian Locomotive Co., com.	1[illegible],00,000		1,500,000	1,657,324		3	1st Jan.	q. 1½	9.83
Canadian Locomotive Co., pref.		1,500,000	9,500,000		7	7	1st Jan.	q. 1¾	7.77
Can. Consolidated Rubber, com.	2,805,500			4,305,934			15th Oct. '14		
Can. Consolidated Rubber, pref.		3,000,000			7	7	31st Dec.	q. 1¾	7 14
Canadian General Electric, com.	8,000,000			4,466,293	8	8	2nd Jan.	q. 2	7.84
Canadian General Electric, pref.		2,000,000			7	7	2nd Jan.	s. 3½	6 36
Carriage Factories, Limited, com.	1,200,000		477,000	305,830					
Carriage Factories, Limited, pref.		1,200,800					15th July '15	q. 1¾	10.00
C[illegible], com.	565,000		61,612	90,802	4	5¼	1st Oct. '16	q. 2	
C[illegible], pref.		700,000					2nd Jan.	q. 1¾	8.33
Dominion Bridge Co.	6,500,000			1,679,591	8+12	9½+2	15th Feb.	q. 2	6.50
Dominion Canners, com.	2,794,000		1,771,175	1,140,339			1st Apr. '14	q.	
Dominion Canners, pref.		2,290,600				7	2nd Jan.	q. 1¾	8.33
Dominion Steel Corporation, com.	37,097,700	7,000,000	21,206,777	15,562,286		4½	1st Jan.	q. 1¼	10.00
Dominion Iron and Steel, pref.		5,000,000	13,861,880		7	7	1st Oct.	s. 3½	7.44
Dominion Coal, pref.	15,000,000	3,000,000	6,162,000		6	7	1st Feb.	q. 1¾	7.14
Dominion Textile, com.	5,000,000		3,267,500	2,189,194	7	7	2nd Jan.	q. 2	7.88
Dominion Textile, pref.		1,940,600			7	7	15th Jan.	q. 1¾	6.93
Goodwins, Limited, com.	2,250,500		1,150,000	520,221					
Goodwins, Limited, pref.		1,750,000					2nd July '14	q. 1¾	15.55
Goulds Manufacturing Co., com.	747,500		236,000	1,141,337	6	6	2nd Jan.	q. 1½	6.00
Goulds Manufacturing Co., pref.		747,500			7	7	2nd Jan.	q. 1¾	7.00
International Petroleum	6,265,005	500,000		905,614					
Lake Superior Corporation	40,000,000		8,294,000	4,541					
Lake of Woods Milling Co., com.	2,100,000		900,000	831,883	8	8	2nd Dec.	q. 2½	6.25
Lake of Woods Milling Co., pref.		1,500,000			7	7	2nd Dec.	q. 1¾	6 50
Laurentide Co.	9,600,000		656,443	1,783,458	8	10	2nd Jan.	q. 3	6.03
Lyall Construction Co., com.	1,750,000	1,300,000	1,038,600	365,852		2	10th Jan.	2	
A. Macdonald Co. com.	3,000,000	1,766,800		190,908			30th June '13		
Maple Leaf Milling, com.	2,500,000			1,572,508	9	22½	18th Jan.	q. 2½+1	7.69
Maple Leaf Milling, pref.		2,500,000			7	7	18th Jan.	q. 1¾	7.14
Montreal Cottons, Ltd., com.	2,949,600		779,163	442,212	4	4	14th Dec.	q. 1	6.66
Montreal Cottons, Ltd., pref.		3,000,000			7	7	14th Dec.	q. 1¾	7 00
Monarch Knitting Co., com.	1,275,000			527,504			1st Nov. '13	q. 1½	
Monarch Knitting Co., pref.		750,000			7	7	1st Feb.	q. 1¾	8 97
National Steel Car, com.	2,000,000			2,331,209					
National Steel Car, pref.		1,500,000			3⅛		15th Jan	q. 1¾	
Nova Scotia Steel, com.	15,000,000		11,21[illegible],823	3 730,092		5+20	15th Oct.	s. 2½	10.00
Nova Scotia Steel, pref.		1,000,000			12	8	2nd Jan.	q. 2	7.54
Ogilvie Flour, com.	2,500,000		2,350,000	190,178	8+4	10½15	2nd Jan.	q. 3	5.58
Ogilvie Flour, pref.		2,000,000			7	7	2nd Dec.	q. 1¾	6.36
Ont. Steel Products, com.	750,000		575,100	183,497					
Ont. Steel Products, pref.		750,000			5⅛	7+1¼	15th Feb.	q. 1¾+⅛	8.97
Pacific-Burt Co., com.	650,000			38,026	2	2	1st Jan.	s. 1	5.88
Pacific-Burt Co., pref.		650,000			7	7	1st Jan	q. 1¾	9.09
Paton Manufacturing Co.	600,000			644,594	8+3	8+5	16th Sept.	4+2	7.75
Penmans, Limited, com.	2,150,600		2,000,000	2,807,867	4+1	4+1	15th Feb.	q. 1½	7.31
Penmans, Limited, pref.		1,075,000			6	6	1st Feb.	q. 1½	7.22
Price Bros.	5,000,000		5,923,764	2,220,239	6	6	2nd Jan.	2	4.90
Riordon Pulp and Paper, com.	4,500,000		2,036,600	1,851,813	3½+1	6+4	15th Feb.	q. 2½	8.54
Riordon Pulp and Paper, pref.		1,000,000			7	7	31st Dec.	q. 1¾	7.36
William A. Rogers, Ltd., com.	1,500,000		437,000	503,082	6	1½	1st Apr.	q. 1½	
William A. Rogers, Ltd., pref.		900,000			7	7	1st Jan.	q. 1¾	7.77
Russell Motor Car, com.	800,000			47,581		7	1st Aug.	q. 1¾	8.75
Russell Motor Car, pref.		1,200,000				29¾	1st Feb.	q. 1¾	9.33
Sawyer-Massey Co., com.	1,500,000		574,500	129,711					
Sawyer-Massey Co., pref.		1,500,000					2nd June '14	q. 1¾	
Sherwin-Williams, com.	4,000,000		1,873,200	1,746,698					
Sherwin-Williams, pref.		3,287,000			7	7	30th Dec.	q. 1¾	7.07
Shredded Wheat, com.	8,750,000			377,944	6+1	6+2	1st Jan.	q. 2	6.40
Shredded Wheat, pref.		1,250,000			6	6	1st Jan.	q. 1½	6.74
Smith Paper Mills, Com.	1,062,500		300,000	114,473		4			
Smith Paper Mills, Pref.		475,000				7	15th Jan.	q. 1¾	8.97
Spanish River Pulp Mills, com.	8,000,000		10,332,113	1,071,301					
Spanish River Pulp Mills, pref.		5,699,100					15th July '13	q. 1¾	
Steel Co. of Canada, com.	11,500,000		8,766,147	12,458,762	4	6	1st Feb.	q. 1½	10.17
Steel Co. of Canada, pref.		6,496,300			10½	7	1st Feb.	q. 1¾	7.52
Standard Chemical, pfd.	1,250,000	3,602,700	1,111,736	154,402			1st June '14	3½	
St. Lawrence Flour, com.	1,200,000		252,500	138,156			1st Feb.	1½+1	6.66
St. Lawrence Flour, pref.		575,000					1st Feb.	1¾	8.75
Tooke Bros., com.	650,000			149,379					
Tooke Bros., pref.		985,000			8¾	8¾	13th Dec.	q. 1¾	10.00
Toronto Paper Co.	750,000		500,000	254,089	5	6+4	2nd Jan.	s. 3	8.69
Tuckett Tobacco, com.	2,500,000			337,933					
Tuckett Tobacco, pref.		2,000,000			7		15th Jan.	q. 1¾	8.75
Wabasso Cotton	1,750,000		911,000	238,660			2nd Jan.	1½	10.00
Wayagamack com.	5,000,000		3,430,000	864,023					
Woods Manufacturing Co., Ltd. com.	7,718,600		470,000	1 303,540		7	2nd Dec.	q. 1¾	
Woods Manufacturing Co., Ltd. pref.		1,546,500			15¾	7	1st Jan.	q. 1¾	8.13

Company	Range 1915 High	Low	Range 1916 High	Low	Range 1917 High	Low	1919 High	Date	Low	Date	Close 1918 Ask	Bid	Close Feb. 20 Ask	Bid	Week High	Low	Close	Sales	Montreal Minimum
Abitibi Power and Paper, com.					58⅛	48	51⅝	Feb. 5	48	Jan. 3									48
Amer. Cyanamid, com.					30	19													
Ames Holden McCready Co., com.	23	7⅞	35	19⅛	23⅛	12	29	Jan. 17	26	Jan. 3	40		28	26	28⅛	28	28	125	15⅜
Ames Holden McCready Co., pref.	75	55	80½	52	61	47	76¼	Jan. 22	65⅜	Jan. 2									47⅛
British Col. Fish, com.					56	35	49	Jan. 6	48	Feb. 1									38⅛
Brompton Pulp and Paper, com.					59	38	61	Jan. 7	56	Feb. 3		45	58		58	57¼	58	236	39½
F. N. Burt Company, com.	72⅛	70	88	72	82	65	82	Feb. 6	71	Jan. 13			85	83	82	82	82	1	63
F. N. Burt Company, pref.	75	89	96	86	93⅛	86	92	Jan. 22	90	Jan. 22	86	84½	93	90	92	91⅛	92	10	84
Canada Bread, com.	31⅛	29	30	16⅛	20	13	23⅛	Jan. 11	18	Feb. 11				19⅛	20	20	20	10	
Canada Bread, pref.	90¾	90	90	87	86½	80	85	Jan. 18	83	Feb. 13					84	83	83⅛	80	83
Canada Cement, com.	48½	28	73	37¾	69⅞	52	66⅛	Jan. 33	63	Feb. 6	57¾	57¼	66	65⅛	66¾	63⅛	66	2,880	55⅛
Canada Cement, pref.	98½	89¾	9	86	95¾	90	96⅛	Jan. 20	95	Jan. 2	90			96⅛	97	96½	97	113	90¼
Canadian Car and Foundry, com.	120	50	75	32	46½	17	32¼	Feb. 13	28	Jan. 2	25	22¼	32	31	32½	30	32	152	18⅛
Canadian Car and Foundry, pref.	127	98	94	1¾	89	49	85⅞	Jan. 6	82	Jan. 23				84	84	83	84	50	49¾
Canadian Converters	34	34	46	34	43	39	47	Jan. 25	45	Feb. 6				46	46¾	45⅛	46⅛	541	43⅛
Canadian Cottons, Limited, com.	40	24	65	39	56	46½	68	Jan.	68	Jan. 6	48¾								48
Canadian Cottons, Limited, pref.	77	71	82½	75⅛	82	75	76	Jan. 10			76		76		76¾	76	76	160	
Canadian Fairbanks-Morse, pref.	95	95																	
Canadian Foundries & Forgings, com.			217	170	205	150	192	Jan. 9						196	200	191	197	510	15
Canadian Foundries & Forgings, pref.			[illegible]	95	84	82	89⅛	Feb. 13											
Canadian Locomotive Co., com.	64⅛	30	64⅛	51	64	52½	63¾	Jan. 2	61	Feb. 11									
Canadian Locomotive Co., pref.	90	78	99	81	91⅛	83	90⅛	Jan. 10	90	Jan. 14									
Can. Consolidated Rubber, com.	91	91	91	84	99¾	90													
Can. Consolidated Rubber, pref.	101	100	97	91	99¾	95	98	Jan. 16	97	Feb. 7									
Canadian General Electric, com.	128	90¾	121	108	115⅛	99⅛	104⅛	Jan. 8	102	Feb. 13	10[illegible]		102¾	102	103	102	103	217	99⅛
Canadian General Electric, pref.	110½	110	112	110	106	94⅛													
Carriage Factories, Limited, com.	53⅛	35⅛	44	29⅛	25	9¼													
Carriage Factories, Limited, pref.	81	75	75	60															
C[illegible], com.	[illegible]	[illegible]	[illegible]	[illegible]	30	30	28	Jan. 28											
C[illegible], pref.	102	98	100⅛	92	70	60					60			84	84	84	84	2	
Dominion Bridge Co.	230	107	231⅛	160	170	125	123	Jan. 13											
Dominion Canners, com.	35	31	22	15	26	19	39¼	Jan. 11	36	Jan. 17			37⅛	37¼	37¾	37	37⅛	200	28⅛
Dominion Canners, pref.			65	61⅛	78	65	83¾	Feb. 13	76	Jan. 10			87	81	82	82	82	76	
Dominion Steel Corporation, com.	51	19⅞	82	43	71¼	50¾	62½	Jan. 3	58¾	Feb. 3	60⅞	60½	61	64	60⅛	60	60¼	982	90¾
Dominion Iron and Steel, pref.	96	71	105	90	95	87½	95	Jan. 14	93½	Jan. 2	88			94½	95	95	95	135	
Dominion Coal, pref.	101	98	99	93	96⅛	85	98	Feb 3					98	96	97	97	97	100	94¾
Dominion Textile, com.	77	64	90⅛	74⅛	89	76⅛	104	Jan. 4	100	Feb. 5			103½	103	103¾	103¾	103¾	469	80¾
Dominion Textile, pref.	103	101	105	101	105	99⅛	101½	Jan. 4	101	Jan. 15									100
Goodwins, Limited, com.	28	26	40	40			10	Feb. 5											
Goodwins, Limited, pref.			75	40	45	45	45	Jan. 11											45
Goulds Manufacturing Co., com.					100	100													100
Goulds Manufacturing Co., pref.					100	100													100
International Petroleum					15.30	11.60	21.75	Feb 11	19.25	Jan. 8									
Lake Superior Corporation	9⅞	9⅞			24	10¼													
Lake of Woods Milling Co., com.	137	129	136¾	122	130	120	165	Jan. 14	160	Jan. 10	134								120⅞
Lake of Woods Milling Co., pref.	122	120	129	116	116	116	106½	Jan. 16	106	Jan. 17									
Laurentide Co.	198	160	217⅛	176	195	152	200½	Feb. 13	192	Jan. 10	155¾	155½	204	203⅞	205	200⅞	505	4,188	158
Lyall Construction Co., com.			93	25	80	53					67	66							62
A. Macdonald Co. com.	14	7	19⅛	10	15½	8	23	Jan. 9	21⅛	Jan. 10	15	14½	22	21⅛	22	21⅛	21⅛	110	13⅛
Maple Leaf Milling, com.	68	30½	122	100	115	90	137½	Jan. 2	121¼	Jan. 30			134⅞	134½	135	132	135	625	86
Maple Leaf Milling, pref.	98	88	108	93	103	91¾	98½	Feb. 10	96¼	Jan. 8	95	93½		98	98	98	98	51	90¼
Montreal Cottons, Ltd., com.	56	51	63	50	58⅛	49	61	Jan. 22	58⅜	Jan. 9	50								50
Montreal Cottons, Ltd., pref.	100⅛	99	115	99	103	99	100¼	Jan. 16	100	Jan. 17				100	100	100	100	5	99⅛
Monarch Knitting Co., com.	27	25	40	25⅛	40	30	50	Jan. 28			30								30
Monarch Knitting Co., pref.	82	82	83	80	81	80	80	Jan. 13	78	Jan. 6									78
National Steel Car, com.					21	5	12	Feb. 3	5	Jan. 16			9½	8	9	9	9	10	
National Steel Car, pref.					78	17	35⅛	Feb. 5	18	Jan. 14			82	30⅛	31⅞	31⅛	31⅛	50	
Nova Scotia Steel, com.	107	45¾	154⅛	93¼	128	66	66	Jan. 6	49¾	Feb 11	67¼								63⅜
Nova Scotia Steel, pref.	125	110	115	110	112	105	106	Feb. 12	105	Jan. 10									
Ogilvie Flour, com.	144	107	152	127⅞	158	137	224¾	Jan. 11	212	Jan. 9			209		210	206	206	90	140
Ogilvie Flour, pref.	120	113	116	44½	115	107	110	Feb. 8	106	Jan. 13					110	110	110	15	
Ont. Steel Products, com.			45	19	34	18	28	Jan. 6	27¼	Jan. 4			32	31	32½	30	32½	185	22⅝
Ont. Steel Products, pref.			91⅛	73	74	74													
Pacific-Burt Co., com.	31	28	29	20	40	28													34
Pacific-Burt Co., pref.	85	80	83¼	77⅛	82	79							77¼		77¼	77¼	77¼	5	77¼
Paton Manufacturing Co.					130	124													124⅞
Penmans, Limited, com.	62	49	78	60	73⅛	64	82	Feb. 7	77½	Jan. 4	75			81⅛	85	82	83¾	320	65
Penmans, Limited, pref.	83	82	90	82	86	81⅛	95	Jan. 3	82¾	Feb. 5					83⅛	82⅞	83½	310	81⅞
Price Bros.			132	60⅛	134	115	166½	Feb. 13	150	Jan. 10	122			170	167	167	167	100	120½
Riordon Pulp and Paper, com.			150	59	127	106	117¼	Jan. 2				92	122	121½	122	117¾	121¾	1,170	114¾
Riordon Pulp and Paper, pref.					95	90	96	Feb. 4	94	Jan. 4			95		95⅛	95	95	9	90½
William A. Rogers, Ltd., com.	103	96	99	85	80	40													59
William A. Rogers, Ltd., pref.	99	99	99	87	92	90													60
Russell Motor Car, com.	50	10	114	32	92	50							70	85	70	68	70	81	50
Russell Motor Car, pref.	76	25	139	66	122	72	80	Feb. 3	70	Jan. 10	70		78	73	77⅛	76	77½	86	68¼
Sawyer-Massey Co., com.	33	25	30	20	24	8													
Sawyer-Massey Co., pref.	76	69	134½	58	41	40													40
Sherwin-Williams, com.	57½	55	99⅛	53½	60	56	60	Jan. 3			60								60
Sherwin-Williams, pref.	100	98¾	100	97½	100	98	99	Jan 6											99
Shredded Wheat, com.	102	92	140⅛	102¾	137¾	112	125	Jan. 13											109½
Shredded Wheat, pref.	99	93	120	95	95	95	99	Jan. 13							99	99	99	3	
Smith Paper Mills, Com.					74⅛	66													65
Smith Paper Mills, Pref.																			
Spanish River Pulp Mills, com.	9⅝	3	24⅛	3½	19	12⅛	18¾	Jan. 28	17	Jan. 14			20	19⅛	19⅛	18½	19	1,675	50
Spanish River Pulp Mills, pref.	35	35	70	29	59¾	47	67	Jan. 28	63⅛	Jan. 23			72	71	71¾	67	71	1,477	
Steel Co. of Canada, com.	48	8½	88¼	34¼	71⅛	47⅛	65⅛	Jan. 8	57½	Feb. 1	53⅛	52⅛	61¼	60¼	60⅛	60	60⅛	1,990	48
Steel Co. of Canada, pref.	95	69	107¼	82½	100½	84⅛	95	Jan. 6	93	Feb. 5	89		94	93	93⅛	93⅛	93½	15	82¾
Standard Chemical, pfd.																			
St. Lawrence Flour, com.																			
St. Lawrence Flour, pref.					56	49	96	Jan. 2	90	Feb. 12									55
Tooke Bros., com.	18	16	25	16	19	19	80	Feb. 8											19
Tooke Bros., pref.			83	78	79	70													70½
Toronto Paper Co.	45	25	96	44	90	72	72¼	Feb. 4	70	Feb. 4									65
Tuckett Tobacco, com.	29¼	29	25	23½	22⅛	17	69	Feb. 11					25	23⅛	27⅛	24	27⅛	245	18⅛
Tuckett Tobacco, pref.	90	90	90	75	83½	78	24½	Jan. 13	22	Jan. 17									80
Wabasso Cotton							80	Jan. 6											
Wayagamack com.	26½	26			97	50	61	Feb. 13	58	Jan. 2			62	61	62	62	62	10	50
Woods Manufacturing Co., Ltd. com.	15	20	65	33	61	44	55	Jan. 2	50	Feb. 13			50		50	50	50	65	53¼
Woods Manufacturing Co., Ltd. pref.	45	20	101	84	86	80	90	Feb. 11	86¼	Jan. 13	65								86

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Bond Preferred Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1917	Last Dividend Date	Per cent.	LOAN AND TRUST	Range for Year 1916 High	Low	Range for year 1917 High	Low	Latest Price Ask	Bid	Last Sale
1,205,000	3,932,164	1,294,157	9	2nd Jan.	q. 2¼	Canada Landed	163	157⅛	160	150	150		140
6,000,000	19,946,571	5,447,977	10	2nd Jan.	q. 2½	Canada Permanent	183	168⅝	173	162½	172		172
1,750,000	5,519,687	1,853,863	10	2nd Jan.	q. 2½	Central Canada					190		
20,000	2,994,240	419,646	6	2nd Jan.	s. 3	Col. Investment, pref.	76	70	77	68		81	81
934,848	1,112,672	263,925	5	2nd Jan.	s. 2½	Dominion Savings	80	80				82	81
2,412,566	2,221,508	827,258	5	1st July	Def.	Great West Per.							89½
1,200,000	2,276,590	1,163,994	8	2nd Jan.	s. 4	Hamilton Provident	140	138	142	137		135	133
2,500,000	11,865,047	3,186,669	12	2nd Jan.	q. 3	Huron and Erie	214	209	211	205		210	210
1,000,000	1,914,936	837,232	8	2nd Jan.	s. 4	Landed Banking	145	144	143	143		139	140
1,250,000	2,700,984	871,997	8	2nd Jan.	q. 2	London and Can. Loan	135	132	132	128½	126½		126½
887,398	1,722,889	341,924	6+1	2nd Jan.	q. 1½+¼	London Loan and Sav.							
600,000	350,626	744,530	10+1	15th Dec.	q. 2½	Montreal L. & Mtg. Co.	175	160	165	162½			153
1,500,000	7,717,790	1,622,398	10	1st Jan.	q. 2½	National Trust	210	210	212	207½		210	207½
1,750,000	3,546,486	2,600,703	9	2nd Jan.	q. 2¼	Ont. Loan and Deb.	175	169	175	175		155	155
500,000	643,698	262,754	7	2nd Jan.	s. 3½	Real Estate Loan		205⅛				145	
1,500,000	33,203,713	2,051,443	10	2nd Jan.	q. 2½+1	Toronto Gen. Trusts	210	134	215	200	207		204
724,550	1,774,451	627,871	8	2nd Jan.	q. 2	Toronto Mortgage Co.	140		140	136		134	134
1,000,000	1,931,430	1,086,701	10	2nd Jan.	q. 2½	Toronto Savings							185
1,000,000	7,661,882	465,702	8½	2nd Jan.	q. 2⅛	Union Trust							178
1,000,000		7,231,192	15	2nd Jan.	q. 2	Canada Life Assurance			190	19			190

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstanding	Reserve and Contingent P. & L.	Dividend 1917	Last Dividend Date	Per cent.	MISCELLANEOUS COMPANIES	Range for year 1916 High	Low	Range for Year 1917 High	Low	Latest Price Ask	Bid
3,000,000		648,892		15th Jan.	1½	Asbestos Corporation, com.	24	23	21	12	51½	41
	7,000,000		4	15th Jan.	1½	Asbestos Corporation, pref.	60	53	53	42	69	68¾
1,500,000		1,888,183	9	1st Jan.	s. 4	Canadian N. Prairie Lands						
800,000	390,000	451,006	8	1st Jan	q. 2	Canadian Salt	140	124	136	128		125
59,109		1,757,277	$5	23rd Dec.	$5	Can North-West Land						
100,000		2,374,727	20	31st Dec.	q. 5	Confederation Life A.	350	330	330	330	375	
6,212,666		501,345		2nd Dec.	q. 1½	Crows Nest Pass Coal	83	71	70	50		52
1,000,000		292,230	6	15th Jan.	q. 1½	Dominion Telegraph	90	86	90	89	80	
3,000,000	12,669,500					Electrical Dev., pref.						
450,000	b 5,312,763	2,172,108	10	1st Jan.	q. 2½	Imperial Life Assur.						
500,000	460,400	785,511	7	5th Feb.	s. 3½	Intercolonial Coal, pref.					80	
3,000,000		133,458		1st Mar. '14	1	Intern. Coal and Coke			25	25		
2,196,951	1,922,500	642,429	7	15th Feb.	q. 2	Kaministiquia Power					120	
637,480	b 595,000	221,444	3	2nd July '17	s. 3	London Street						
2,000,000		119,740	8+10 cts	15th Jan.	q. 2	Montreal Telegraph	136	135	138	115		120
925,000	b1,123,000					Nia., St. Kath. and Tor.						
1,164,000	b 741,000	286,076	3⅜	10th July '15	q. 1½	Trinidad Electric						
2,124,700	b1,504,621	844,651	8	16th Dec.	q. 2	W. Can. Flour Mills	119¾	102				
800,000	b 600,000	606,068	5	1st Jan.	q. 1¼	West India Electric			77	77		

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and Loss; +—indicates bonus; B—means bond; P—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, December 1, 1914.

DIVIDEND NOTICES

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE PER CENT. upon the paid up Capital Stock of this Institution has been declared for the current quarter payable on and after Saturday, the FIRST DAY OF MARCH next, to Shareholders of record of 31st January, 1919.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR.
General Manager.

Montreal, 21st January, 1919.

The Canadian Bank of Commerce

DIVIDEND No. 128

NOTICE is hereby given that a dividend of Three per cent. upon the capital stock of this Bank, being at the rate of twelve per cent. per annum, has been declared for the quarter ending 28th February next, and that the same will be payable at the Bank and its Branches on and after Saturday, 1st March, 1919, to shareholders of record at the close of business on the 13th day of February, 1919.

By order of the Board,

JOHN AIRD,
General Manager.

Toronto, 17th January, 1919.

Belding Paul Corticelli Limited

DIVIDEND NO. 17

NOTICE is hereby given that on the deferred Dividends of the Preference Stock of this Company, the Directors have declared a Dividend of 3½%, payable on the 15th of March to Shareholders of record at the close of business the first day of March, 1919.

By order of the Board,

D. R. KENNEDY,
Secretary-Treasurer.

DIVIDEND NOTICE

Lake of the Woods Milling Company, Ltd.

NOTICE is hereby given that the regular dividend of 1¾ per cent. on the Preferred Stock of LAKE OF THE WOODS MILLING COMPANY LIMITED, has been declared payable on Saturday, March 1st, 1919, to Shareholders of record at the close of business on Saturday, February 22nd, 1919.

By order of the Board.

R. NEILSON,
Assistant-Secretary.

NOTICE is hereby given that a dividend of 3 per cent. on the Common Stock of LAKE OF THE WOODS MILLING COMPANY LIMITED for the three months ending February 28th, 1919, being 2½ per cent. from the earnings of LAKE OF THE WOODS MILLING COMPANY, LIMITED, and one-half of 1 per cent. from the earnings of the SUNSET MANUFACTURING COMPANY, has been declared payable on Saturday, March 1st, 1919, to Shareholders of record at the close of business on Saturday, February 22nd, 1919.

By order of the Board.

R. NEILSON,
Assistant-Secretary.

Woods Manufacturing Co., Limited

Dividend Notice.

THE Regular Quarterly Dividend of One and three-quarters per cent. (1¾%) on the COMMON STOCK of WOODS MANUFACTURING CO., LIMITED, for the Quarter ending February 28th, has been declared, payable March 1st, 1919, to shareholders of record February 22nd, 1919.

By Order of the Board.

JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, Feb. 14th, 1919.

Dominion Textile Company Limited

NOTICE OF DIVIDEND

A DIVIDEND of two per cent. (2%) on the Common Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st MARCH, 1919, payable APRIL 1st to shareholders of record MARCH 15th, 1919.

By Order of the Board.

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 19th Feb., 1919.

Penmans Limited

DIVIDEND NOTICE

NOTICE is hereby given that the following dividends have been declared this day for the quarter ending April 30th, 1919. One and one-half per cent. (1½%) on the Preferred Stock payable on the 1st day of May to shareholders of record of the 21st day of April, 1919, and one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum, on the Common Stock payable on the 15th day of May to shareholders of record of the 5th day of May, 1919.

By Orders of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, Que., February 6, 1919.

1917 ECLIPSED FORMER YEARS FOR MINERALS

Minerals Production Report Indicates Abnormal Conditions

CASH UP; NOT ORES

Some "War Minerals," While Decreased in Quantity, Commanded Enhanced Prices—Fine Metals Down

In point of value the mineral production of Canada during 1917 represents the largest achievement on record. The value recorded in the revised general summary of mineral production just issued is $189,646,821. The 1916 figure was $177,201,534 and the increase is 7.02 per cent. This increase in value of mineral products recovered from Canadian ground in 1917 does not mean that more minerals were mined. The contrary is the case, and it is estimated that over two-thirds of the increase shown by the figures of value is due to the market value of nickel, coal, graphite, gypsum, and cement which were actually mined and marketed in less quantities than in 1916. Many other important mineral products were produced in less amounts than in 1916, and coal fell short of the estimated value placed upon this mineral for purposes of a preliminary report issued by the Division of Mineral Resources and Statistics at Ottawa under the Department of Mines.

Decrease in Fine Metals

From an advance chapter of the annual report on the mineral production of Canada for 1917 the FINANCIAL POST notes that the total value of the metallic production in 1917 was $106,455,147 as against a value of $106,319,365 in 1916, and $75,814,481 in 1915.

There was a decrease in the value of fine metals production in Canada in 1917 amounting to over $7,170,000, but this was offset by increases in value of other metals which amounted to $7,300,000 and over. The total value of the production of non-metallic products in 1917 was $83,191,674 as against $70,882,169 in 1916, and $61,294,256 in 1915. Important increases in quantity produced were recorded in certain war materials including asbestos, chromite, graphite, and pyrites.

Mineral Industry Grows

Increased production, and increased returns for minerals produced are shown in fairly steady scale by the Canadian records since 1886. From 1906 until 1917 total mineral production has shown an increase of over 139 per cent.

It is pointed out that a large proportion of Canada's mineral production is exported for consumption or refining outside of Canada, but that on the other hand considerable quantities of mine products, chiefly refined or partially manufactured, or in the form of finished goods, are amongst Canada's imports.

Practically the whole of Canada's production of copper, nickel and silver goes out of the country. Gold, asbestos, and mica are also exported largely, also coal in considerable amounts. In fact these products alone account for 90 per cent. of the value of the mine products exported. In the form of manufactured mine products Canada sends out of the country chiefly iron and steel goods, agricultural implements, aluminium, calcium carbide, acetate of lime, fertilizers, and coke. Most of Canada's exports in the mineral line go into the United States. In 1916-17 the States took 77 per cent. of the Canadian mineral exports for the period, and the United Kingdom took 20 per cent.

Canada's importations of mineral materials and manufactured goods have been referred to, but the following particulars regarding this phase of Canadian economics from this chapter of the mineral production report are noteworthy. The report says:

A great variety of mineral products, chiefly in the manufactured or semi-manufactured condition, are annually imported into Canada. These imports increased in value with great rapidity during the ten years preceding 1913. During the next two years, however, there was a falling off, but in 1916 the imports again increased to a value almost equal to that of 1913. The total value of these imports during the calendar year 1917 has greatly exceeded those of any previous year and amounted to $353,660,555, as compared with a value of $256,346,726 in 1916; $146,465,510 in 1915; $181,675,667 in 1914, and $259,299,745 in 1913.

It is perhaps significant that of the total value of these imports in 1917 over one-half was comprised in iron and steel goods and nearly 30 per cent. in coal, coke, and petroleum.

In 1917 Canada produced less pig iron from her own ore, but exported more ore than the records reveal for the previous year. The figures are —pig iron produced from Canadian ore in 1917, 46,022 tons; 1916, 115,691 tons, or a decrease for 1917 of 69,669 tons in quantity and $559,822 in amount realized, the money figures for 1917 being $768,783, and for 1916, $1,328,605.

As regards ore sold for export from Canadian iron mines the 1917 figures show progress, an increase of 28,644 tons and $197,000 the figures for 1917 showing 169,252 tons worth $590,696 while those for 1916 showed 140,608 tons worth $393,689.

The fact that while exporting more iron ore and producing less iron, Canada was also importing iron and steel goods in larger amounts may be remarked upon, but it is also to be remembered that the iron production of Nova Scotia and Ontario uses large quantities of imported ores which are not taken into account at all in this particular report, though noted apart from tabulations to the effect that the total production of pig iron in Nova Scotia in 1917 was 472,147 tons valued at $10,387,234, and in 1916, 470,055 tons valued at $7,050,825 and the total pig iron production of Ontario in 1917 was 698,333 tons, valued at $14,638,726 and in 1916, 699,202 tons, valued at $9,700,073.

Coal production of Canada during 1917 was 14,046,759 tons, valued at $43,199,831, against 1916 figures of 14,483,395 tons, valued at $38,817,481 a decrease in amount of 436,636 tons, but an increase in value of $4,382,350.

Other mineral products classified as structural, and including cement, clay, building stone, etc., show an increase in value for 1917 over 1916 of $2,370,125, the total amount for 1916 being $17,467,186 and for 1917 being $19,837,311, but quantities produced are not completely returned in this advance of the mineral production report.

DIVIDEND NOTICES

TOOKE BROS. LIMITED

PREFERRED STOCK

Dividend No. 26

NOTICE is hereby given that a dividend of 1¾% on the Preferred stock of this company has been declared for the quarter ending Feb. 28th, 1919, payable on March 15th to shareholders of record of the 28th of February.

By order of the Board.

W. S. BARKER,
Secretary-Treasurer.

Montreal, February 21st, 1919.

The Bank of Nova Scotia

Dividend No. 197

NOTICE is hereby given that a Dividend of four per cent. on the Paid-up Capital Stock of this Bank has been declared for the quarter ending March 31st and that the same will be payable on and after Tuesday, the 1st day of April next, at any of the offices of the Bank.

The Stock Transfer Books will be closed from the 17th to the 31st proximo, inclusive.

By order of the Board.

H. A. RICHARDSON,
General Manager

Halifax, N.S., February 18th, 1919.

G.T.R. EARNS MORE BUT SPENDS MORE

Heavy Operating Expenses Will Interfere With Dividend —1919 Outlook Bright

Although the revenue reaches the unprecedented total of £12,950,000—fully £3,330,000 more than in 1913, when full dividends were paid on the 4 per cent. guaranteed and the 5 per cent. first and second preferred stock, and also 2½ per cent. on the 4 per cent. third preferred stock—there seems a strong possibility that dividends for 1918 will be passed. This, of course, will be because huge operating expenses have cut down the net receipts.

The following table shows the position of the company:

	Gross receipts	Oper. exp. and taxes	Net receipts
1918..	£12,950,000	£11,382,000	£1,588,000
1917..	10,725,500	9,070,900	1,790,600
1916..	9,819,740	7,165,613	2,654,127
1915..	8,292,688	6,138,035	2,154,653
1914..	8,596,767	6,514,875	2,081,892
1913..	9,620,176	7,357,613	2,262,563
1912..	8,931,913	6,715,463	2,216,450
1911..	8,131,920	6,082,468	2,049,452

The outlook for 1919 is quite bright. Both freight and passenger business has been very heavy during 1918 and is being splendidly maintained. Operating expenses, moreover, seem certain to be substantially reduced. Wages are tending downward, and the unusually mild weather and lack of snow has made January and February profitable months instead of months showing heavy losses to be offset later on. In 1918 the cost of keeping tracks open in spite of blizzards was tremendous. This year it has been nil.

CEMENT EARNINGS LIKELY TO SHOW DECLINE FROM 1917

Annual Meeting Not to Be Held Till About Middle of March

TO DISBURSE PROFITS

Said That the Company May Pay Out the Greater Part of the Profits Made on Munitions

Although generally the annual meeting of the Canada Cement Company is held about the middle of February, no definite date has yet been set THE FINANCIAL POST is informed, but it is likely to be about the middle of March. At the present time the general manager, Frank P. Jones is still away overseas in connection with the Canadian mission, and it may be necessary finally to hold the meeting in his absence, although he is expected home by March 15 at least. So far as can be learned the profits that will be shown will fall somewhat below those of 1917, when a remarkable record was made. On this occasion, even after deducting $2,190,616 for depreciation and special equipment written off, there was a balance of profits of $2,861,246, leaving $2,429,181 for dividends. There was earned 12.55 per cent. on the common stock, as compared with 7.70 per cent. one year before. For the latter part of the year the shell business was cut off, and a large claim awaits the Imperial Munitions Board for adjustment as against the United States Government. As this is unlikely to be finally decided in time for the annual meeting, the munitions profits as shown in the report can hardly equal those of last year.

There is an interesting story reported this week that the company will disburse the greater part of the profits made in the last three years on munitions. This would mean a very generous bonus to the shareholders, and would be a possibility in view of the statement of the general manager that the company in war-time met all its fixed charges. There is an increase in output expected this year, and a much larger one next year and succeeding years, so that it is argued that the company could get along without these munitions profits as a reserve or surplus. At the end of 1917 the surplus amounted to $2,576,999, and the working capital of the company, at the end of the year 1917 also, stood at $4,377,543, and it may be concluded is a good deal larger now, as would be the surplus. The stock holds fairly steady at the same price as last week.

QUEBEC-SAGUENAY RAILWAY AT AUCTION

Legal Proceedings to Accomplish Purchase by Government For $3,489,313

The Quebec Savings and Trust Company announces the public sale by trustee for bondholders of the Quebec and Saguenay Railway Company on Tuesday, March 4, in the Transportation Building, Montreal. This proceeding, THE FINANCIAL POST is informed, is being carried out simply to bring into effect the resolution of the Dominion Government as passed at last session, "To acquire free and clear of all charges, encumbrances or claims, at any public sale, the Quebec and Saguenay Railway, extending from its junction with the Quebec, Montmorency and Charlevoix Railway to Nairn Falls, Que., about 62.3 miles, at a price not exceeding $3,489,313.53 exclusive of any sums paid out of amounts voted by Parliament in 1916 and 1917."

For some time past the Government has advanced monies for the completion of the road, which it is expected will be ready to Murray Bay by next summer. The cash payment, it is expected, will be used by the Quebec Railway, Light, Heat, and Power Company to apply to the bonds, which amount to $5,000,000 as follows: (a) "An authorized issue of $3,000,000 of 5 per cent. first mortgage 30-year bonds, secured by trust deed executed on January 28, 1911, and deeds supplemental thereto;

(b) "An authorized issue of $2,000,000 of 5 per cent. first mortgage 30-year bonds, secured by trust deed executed on March 20, 1912, and deeds supplemental thereto."

The interest on these bonds is being met by the Quebec Railway. The payment and taking over of the railway will, it is expected, provide a welcome relief for the company. The stock, possibly in prospect of this, moved up on Wednesday from a low of 16½, but none was traded in on Thursday, when the president, Sir Rodolphe Forget, lay dead.

PROVINCIAL PAPER MILLS

Speaking at the annual meeting this week of the Provincial Paper Mills Co., the president, I. H. Weldon, referred particularly to the item of $502,000 appearing in the balance sheet under the heading of "investments." The sum of $500,000 of this is invested in the Port Arthur Pulp & Paper Company, Limited, of Port Arthur. The Port Arthur Company commenced operations during the last year, making fifty tons per day of bleached and unbleached sulphite. About half of this is used in the mills of the Provincial Company, and the balance in other mills in Canada and the United States. In regard to the future, Mr. Weldon said that there would be unsettled conditions for a time, but at present there is a satisfactory amount of orders on hand, and he predicted a very favorable position for paper companies in the time to come. The old Board of Directors were all re-elected. Mr. C. A. Peck was appointed a director to succeed the late Ralph Emery.

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Interest payable half-yearly.

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The proceeds of an issue of $2,500,000 7% **Mortgage Debenture Stock** of

Whalen Pulp and Paper Mills

enabled the Company to complete the development of its three valuable Timber Limits on the Pacific Coast. Investors in these securities are assured of:

(a) A continuous 7% interest yield;
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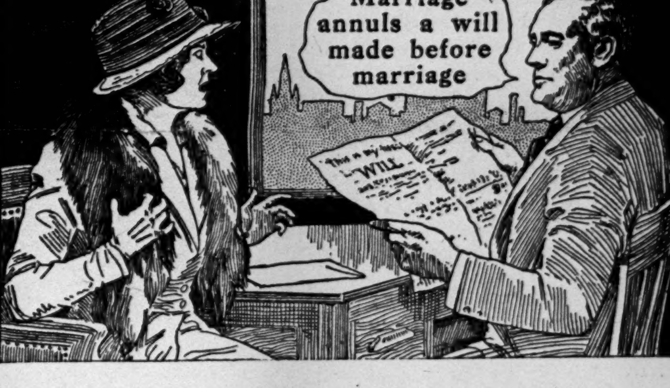

If John had only known!

THIS is one of the consequences of taking things for granted in the vital matter of your will.

This lady's husband assumed that because he had a will in existence that all was well. To the widow, it means the loss of all but her "one third" of the estate.

The will being void means a long delay while the estate is tied up in the courts. It may mean an executor quite objectionable to those vitally concerned. It costs more to wind up the estate than if there were a will.

Are you certain that your will is properly drawn? If not, you had better consult your lawyer forthwith. It is better to have your will administered by a trust company on clearly defined provisions than to just take things for granted—and face the possibility of the courts having to interpret your will.

As executors we offer you the courteous painstaking service of our several departments each specializing on different branches of administration. Write for folder "First steps in making your will."

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A BRITISH VIEW OF UNITED STATES' TRADE AMBITION

Nation's Mind Made Up to the Extension of Business

IN EXPORT TRADE

Writer in "Pall Mall Gazette" Sees America's Activities—Is He Overlooking Progress Made in His Own Land?

By SIR JOHN FOSTER FRASER
In the "Pall Mall Gazette"

Commercial and industrial America has its mind directed to one purpose—the extension of trade. Up to the present energies of production have been chiefly occupied in supplying the home, United States, market. But the market is supplied; the war put a stop to immigration, and there is a feeling that it should not be encouraged to flow again, that, indeed, the increase in population, now well over 100,000,000, should be natural, and not artificial.

Yet American productivity proceeds amazingly, and the war, whilst sending the thoughts of the masses to world politics, has steered the manufacturers to an understanding of what awaits them in world trade. Last year I had the opportunity to address many Chambers of Commerce and Rotary Clubs in the United States, and everywhere I found the deepest interest in developing an oversea business. American business man had good reasons for being negligent in the past. They are now thoroughly awake.

First of all, America is engaged in building a colossal mercantile marine. It touches the pride of our trans-Atlantic friends that their country hitherto has played an insignificant part in the carrying trade of the world, and that American goods usually had to be transferred in foreign vessels. It is proposed to rectify that within the next year or two, to have American ships, flying the American flag, and manned by American men, to carry American wares.

The Shipping Race

It is not overlooked that the cost of building and the higher rate of wages necessary to attract men from the land to the sea will be a handicap in offering freights that will compete with those of the European maritime countries. It is hoped, however, that the naval training which has been given to hundreds of thousands of young fellows during the war will stimulate a love for the seafaring life; and there is a propaganda started in England and elsewhere on this side to get seamen to insist on the same conditions and the same wages which the Americans must have, and so reduce the possibility of British and Continental ship-owners undercutting necessary, if profitable, freight charges.

Whatever effect this great movement will ultimately have on British oversea trade, we must admire the enthusiasm of the Americans. Of course, there are rivalries between big concerns; but I was tremendously impressed with the prevailing unity toward making a big, bold effort to secure commercial supremacy for America. The spirit was that they were not only doing something for themselves, but much for the glory of America.

The United States Chambers of Commerce are much more real and live things than are our own. Their manufacturers are much more generous in throwing money into a common pool to provide them with information about the needs of foreign markets. Being shrewd and practical men, they know that the war has disorganized the trade of European countries; they assume it will take years before it can become stable again; they are aware how the shipping of the Allies has been destroyed by the U-boats. Therefore they realize this is the hour for them to make the jump.

Looking for Markets

Associations of manufacturers have not only laid their plans, but they are putting them into practice. First, there is the shipbuilding; then there are the enlarged plants for increased production; next there are deputations of experts being sent to South America, to the British Dominions, to the European countries, to investigate the markets and to report back. It should be understood that this is not haphazard or fragmentary, but is a movement with the whole of commercial and financial America behind it.

All is above-board and perfectly legitimate. But as we are a manufacturing and sea-carrying nation ourselves it would be foolish if we did not take notice what is going on and reckon what it may mean to us. I know of the excellent work being done by the Trade Department under the supervision of Sir Arthur Steel-Maitland. Yet no one who has travelled extensively and studied trade relationships, as I have done, can fail to appreciate the necessity that we overhaul our machinery of oversea commerce.

I would certainly like to see our Associated Chambers of Commerce do much more than pass excellent resolutions for the education of Parliament. They should have their own ambassadors of trade in all foreign lands. The need for overhauling our consular service, with a view to having more men in touch with the practical business side of life, is an old story. With all its drawbacks, the United States Consular Service has this advantage; it is usually composed of business men. A little has been done, but not enough, in having British commercial agents in our Dominions to "boost" British goods, men who will consider it not beneath them to give assistance to the representatives of British firms—a thing which very few of our consuls think comes within their province.

SHOULD ENCOURAGE MORTGAGE COS.

T. H. Purdom Speaks With Optimism in Dominion Savings Report

The president of the Dominion Savings and Investment Society, T. H. Purdom, London, looks for much improvement in the mortgage field now that the war has been brought to a victorious conclusion. Canada, he believes, will enter on a new period of growth and prosperity. In connection with the company's annual statement he says that there is room in this country "for many millions of happy homes in addition to those now in existence. Mortgage corporations have contributed towards the building of homes and settling of lands. They are essentially an institution of the people, and in a new country very necessary and desirable. The laws of [illegible] and of each province should [illegible]ely encourage them."

Largely as the result of higher interest rates paid in deposits and debentures—a development of the conditions which the war brought to the investment world—the Dominion profits at $54,374 showed a decline as compared with $58,126 for the previous year and $59,152 for 1916. The income for 1918 amounted to $116,805 or practically the same as the $116,954 shown for 1907. The following comparative figures for the past three years show the manner of distribution:

	1918	1917	1916
Profits	$54,374	$58,126	$59,152
Bal. forward	3,925	2,541	5,129
	$58,299	$60,667	$64,281
Distribution—			
Dividends	$46,743	$46,742	$46,740
Reserves	10,000	10,000	15,000
Contingent	1,556	3,925	2,541
	$58,299	$60,667	$64,281

Following are features of the company's earnings record for the past seven years:

Years.	Paid-up Capital	Profits	Div.	Profits to av. Cap.	*Earn. Rate.
1918	$934,300	$54,374	5	5.8	4.5
1917	934,300	58,126	5	6.2	4.9
1916	934,300	59,152	5	6.3	5.0
1915	934,300	57,404	5	6.1	4.9
1914	934,300	71,785	5	7.6	6.2
1913	934,300	66,150	4½	7.1	5.9
1912	934,300	59,126	4½	6.3	5.9

*Percentage of capital employed, reserve and balance at credit of profit and loss.

The balance sheet shows total assets at $2,346,415 or very little change from the total of $2,334,803 in the previous report. Liabilities to the public at $1,116,624 compared with $1,112,672, an interesting feature in this connection being an item of $23,971 owing to the Royal Bank, which is evidently a temporary arrangement and a reflection of the fact that investments have increased from $2,297,941 to $2,327,066. Deposits in the "Bank of Toronto" are $14,659 compared with "Cash in Banks" $33,192 a year ago.

CLUETT, PEABODY & CO.

Improved Profits of Big Shirt Concern

NEW YORK.—Annual report of Cluett, Peabody & Co. for the year ended December 31, 1918, shows net profits, after all charges and Federal taxes, of $1,871,162, equivalent, after deduction of preferred dividends, to $7.67 a share earned on the $18,000,000 common stock, as compared with net profits of $2,530,245 or $11.33 a share, on the common in the preceding year.

Income account for the year ended December 31, 1918, compares as follows:

	1918	1917	1916
Total rcts.	$21,490,554	$19,250,608	$16,524,117
Exp. & Int.	18,117,076	16,497,939	13,498,864
Depreciation.	327,316	222,419	213,429
Federal tax.	1,175,000	....	....
Net profits	$ 1,871,162	$ 2,530,245	$ 2,811,824
Pref. div.	490,000	490,000	490,000
Com. div.	1,080,000	1,080,000	900,000
Year surp.	$ 301,162	$ 960,245	$ 1,421,824

Creating Opportunities for Employment

BESIDES helping to distribute employment through a chain of Employment Offices, the Government has developed plans to create opportunities for employment.

Briefly, these plans cover the following phases:—

1. *Public Works*

During the war, many important Public Works have been held up. The Minister of Public Works, has his plans and preparations made to proceed with the more necessary of these in the near future. This Committee has also been in touch with Provincial Governments and Municipalities, with a view to impressing upon them the necessity for similar action. The building and public works programme now in sight will provide employment for many returned soldiers and war-workers.

2. *Railways*

During the past four years, a great deal of work necessary to keep our railways up to standard has been postponed. Some millions of dollars must be expended on improving road-bed, constructing bridges, buildings and other improvements. Equipment of various kinds must be secured. As soon as weather conditions will permit, some thousands of men will be absorbed in various railway undertakings.

3. *Shipbuilding*

The shipbuilding programme arranged for by the Government will provide employment for many men during 1919. It is expected that arrangements will be completed to keep the shipbuilding yards in active operation throughout the year, so providing employment for many skilled and other workers.

4. *Export Trade*

The Government has established a Canadian Trade Commission. This Commission has an office in Canada and a "trade mission" overseas. Through this trade mission it is anticipated that Canada will secure an important share in the business of providing materials and manufactured products required for reconstruction work in Europe. The business so secured will be distributed through the regular channels of trade and thus afford extra opportunities for employment.

5. *Housing*

The Government has set aside the large sum of $25,000,000 to be loaned through the Provinces in order to encourage the building of workmen's houses. When the season for building arrives, this work should give employment to many hundreds of men, both in construction work and in the supply of materials.

6. *Land Settlement*

The Government has developed plans to help soldiers to become farmers, providing land, granting loans and giving training and supervision where necessary. It is expected that a large number of soldiers will take advantage of these opportunities. The scheme will involve the expenditure of some millions of dollars, a good deal of which will find its way into building materials, supplies, machinery, etc., all of which will assist in providing employment.

7. *Road Building*

The Government now has under consideration the question of joining the provincial governments in financing the construction of public highways. Should a favorable decision be reached, a large field for employment opportunities will be opened up. Regardless of Federal action, provincial governments are preparing their own road-making programmes.

The Government is alive to the necessity for providing employment opportunities, and stands prepared to assist in every way possible. If corporations and private citizens will join in this feature of Repatriation Work, Canada should have little difficulty with the employment problem.

FROM WAR TO PEACE

The Repatriation Committe

OTTAWA

SOVEREIGN LIFE WEATHERS VERY TRYING PERIOD

Was Called on to Make Exceptionally Heavy Payments in 1918

RECORD BUSINESS

Wrote Over Three Millions of New Insurance and Finished Year With Nearly Ten Millions in Force

With 1918, the Sovereign Life Assurance Company of Canada completed its fifteenth year, and, having safely weathered a most trying period in the insurance business, may be said to have established itself on a solid foundation. The company closed the year well within sight of the $10,000,000 mark of insurance in force, while its assets have been built up to the substantial sum of $1,604,225. In practically all respects its position is one that will be regarded with satisfaction by shareholders and policyholders.

In the matter of new business, the Sovereign Life was successful in exceeding the record established in 1917, when $2,237,500 was written and revived. The figure for 1918 was $3,126,738, representing a gain of little short of $1,000,000. But while this showing was most gratifying, it is more important to note how the business written has been held. There was a gain in assurances in force of $1,838,936, bringing them up to $9,465,620. As this gain represented 58.8 per cent. of the new business, it may be said that the company has done exceedingly well in this respect.

Income Increases

The increased business on the books has resulted in an enlarged premium income, and from $257,572 from this source in 1917, receipts grew to $309,534 in 1918. There was also a substantial increase in interest receipts which were up from $78,282 to $89,617. The total cash receipts were $399,455, which represents an increase for the year of $63,[illegible].

There has been a big expansion in payments to policyholders, due in part to the ravages of influenza and in part to the fact that, fifteen years having expired since the company started to do business, early endowments have begun to fall due. As a matter of fact $189,769 was paid out in matured endowments and other matured and surrendered policies. Death claims took $83,591, which was a greater sum than was paid out on policyholders' account altogether in 1917. Death claims actually occurring during the year amounted to $118,973, of which $29,250 were from ordinary causes; $20,875 from the war, and $68,848 from influenza. The mortality ran about 110 per cent. of the expected. With total expenses of $138,057 ($112,349 in 1917), the year's disbursements ran to $416,662, or $248,622 more than in the previous year.

Slight Gain in Assets

On account of the heavy payments on policyholders' account, the total assets have only increased by $15,385, amounting to $1,554,225 (allowing for $50,000 due on securities purchased). Bonds and debentures have increased from $682,214 to $788,200, and now represent 51.7 per cent. of the invested assets. First mortgages are down from $507,848 to $458,768, while loans on policies have been reduced from $217,096 to $166,655. The average rate of interest earned in 1918 was 6.34 per cent. as compared with 6.63 per cent. in 1917, and 6.80 per cent. in 1916.

Owing to the paying off of matured policies ,etc., the reserve fund shows only a small increase for the year, being now $1,052,129, as against $1,040,215 a year ago. The reserve for extra mortality and contingencies has been increased from $18,500 to $20,000, but the investment reserve, on account of the rising value of securities, has been reduced from $60,000 to $50,000. The sum of $49,500 has been provided for improved death claims. Finally, after allowing for all liabilities, the surplus stands at $104,015, a reduction of about $40,000 for the year. This may be regarded under all the circumstances as a very satisfactory showing.

STEEL WORKERS' WAGES

Voluntary Increases as Much as 180 Per Cent.

NEW YORK. — Now that wages have reached, if they have not actually started to recede from, their war peak, interest is naturally centering in comparative studies of the war maxima and pre-war rates. The steel industry was one of the most liberal in sharing with employees the profits of this unusual period of earnings, and, consequently, affords one of the best examples of the remarkable upward sweep of wage rates during the war period. In the main, steel wages continue at the high level.

A study of the wage rate movement covering a period of less than three years discloses the fact that in that period the wage rates of some classes of workers in the iron and steel industry advanced as much as 180%, while advances of 150% or more were by no means uncommon.

As measured in percentage, the greatest beneficiaries of the war, in the matter of earnings, were the puddlers, whose wage rates from late 1915 to late 1918 showed an average advance of 180%. Sheet mill heaters were a close second with an average of 164%, followed by semi-skilled labor with 157%; sheet mill rollers 145%, and day labor with advances ranging from 140% to 157%, depending on the length of their work day and the different per hour rates under the eight-hour basic day arrangement.

SOLDIERS ON C.P.R.

Many Employees Who Served Are Now Returning

MONTREAL.—Records of the Canadian Pacific Railway show that up to the present, 9,629 employees have been reported as joining the colors. Of these 842 are recorded as dead, 1,844 have been wounded, and 1,108 have been re-employed in the service of the railway. Employment has also been given to 1,557 returned soldiers, who were not previously engaged with the C.P.R. This makes a total of 2,665 returned soldiers who have been given work.

WESTERN EMPIRE LIFE'S EXPERIENCE

Maintained Its Position Very Well in a Year of Very Heavy Death Claims

Despite a mortality experience which reached the abnormally high rate of 163.8 per cent. of the expected the Western Empire Life Assurance Company of Winnipeg came through the year 1918 in a most satisfactory manner, all things considered. Business was well maintained, income was enlarged, expenses were held down, assets were increased and the surplus was only affected to a very small extent.

The company received application for $1,140,400 of assurance and issued new policies to the amount of $1,102,295. In 1917 the applications amounted to $1,214,835 and new policies to $1,105,500, so that business done was about on the same scale in the two years. It is noteworthy, however, that whereas in 1917 the gain in assurance in force was only $531,000, in 1918 it was $566,295. The business on the books now stands at $3,801,063, and should reach the $5,000,000 mark this year.

Net receipts on revenue account totalled $100,039, of which $82,274 came from premiums and $17,765 from interest. In 1917, net receipts were $95,809, of which $77,414 was derived from premiums and the balance from interest. Of death claims of $45,093 reported, $18,093 were paid and the balance, $27,000, provided for in the liabilities, these having occurred late in the year. Of the total claims, $10,093 were due to war; $17,500 to influenza and penumonia; $8,500 to spinal meningitis; $3,000 to auto accident and $6,000 to other causes. Total payments to policyholders for the year were $20,442, comparing with $11,879 in 1917. Incidentally it might be mentioned that of total death claims of $74,000 since the company started business, 68 per cent. were from war and influenza.

With management expenses at $65,143 and payments to policyholders at $20,442, total disbursements amounted to $85,585, being $31,350 less than receipts from all sources. This compares with a balance of $48,203 in 1917.

Total assets have increased from $322,781 to $410,415. In this amount is included $26,826 representing calls on capital in course of collection and $63,990 premium on capital in course of collection, both of which are larger than a year ago. So far as invested assets are concerned, mortgages have declined from $97,940 to $93,356; debentures have increased from $69,110 to $103,985 and policy loans have grown from $10,005 to $13,566.

The reserve has been enlarged from $150.430 to $190,091; $27,000 is provided to meet death claims awaiting proof; $37,000 stands as an overdraft on investment account and there are minor charges bringing total liabilities up to $262,837. With paid-up capital of $134,448 included in the liabilities, the surplus works out at $13,128, comparing with $18,519 in 1917. Considering the strenuous times through which the company has passed, the result is quite satisfactory.

MONTREAL LOAN MADE 14.3% NET ON ITS CAPITAL

Despite Contraction in Mortgage Loans, Earned More Money

LARGER BALANCE

After Paying 10% Dividend and 1% Bonus, Had $20,000 Left For Profit and Loss

A slight improvement in earnings for the year 1918, as compared with 1917, is reported by the Montreal Loan and Mortgage Company, whose statement has just been issued in anticipation of the annual meeting called for March 6. Net profits for the year after deducting all charges, including a $500 subscription to the Canadian Red Cross and Navy League, amounted to $85,963, comparing with $84,024 in 1917. As shown by the following statement of profit and loss, income was increased from $119,611 to $121,410, the principal gains being in the items, interest on mortgages and interest on bonds and debentures. General expenses ran about the same as in 1917, while the dividend was maintained on the former basis of ten per cent. regular and one per cent. bonus. The balance at profit and loss at December 31 stood at $64,494, as compared with $44,530 at the end of the previous year.

	1918	1917
Int. on mortgages	$110,661	$108,906
Int. on call loan........	6.509	7,289
Int. (special)	287	275
Commission	1,196	1,222
Bond and debt. int......	2,757	1,919
	$121,410	$119,611
Prof. on prop. sale....	......	298
Prev. balance	44,530	76,506
	$165,941	$196,415
Deductions—		
Deposit interest	$ 8,6[illegible]	$ 10,099
Currency deb. coupons	450	450
Sterling deb. coupons.	7,617	7,617
Expenses	12,931	12,755
War tax	1,252	1,240
Income tax	4,029	2,123
Pat. fund sub.	500	1,500
British Sailors' sub...	......	100
Dividends	66,000	66,000
	$101,447	$101,884
Trans. to reserve	......	50,000
Balance	64,494	44,530
	$165,941	$196,415

There has been a small contraction from $1,725,038 to $1,716,424 in assets, due to a reduction in the amount of money out on mortgage, this having declined during the year from $1,569,248 to $1,508,147 or by over $60,000. Holdings of real estate show an increase from $200 to $3,200; call loans are practically stationary at $107,100 but bonds and debentures are up from $34,387 to $79,419. The cash position is slightly stronger. The statement of liabilities is quite similar to that of 1917. That is to say there is no change in capital and reserve which amount to $600,000 and $700,000 respectively. The sum of $21,000 is reserved to pay dividend and bonus due in March. Deposits show a contraction from $179,130 to $146,312 but currency and sterling debentures are unchanged at $10,000 and $160,356. Sundry accounts at $13,121 are slightly larger.

The net profits were 14.3 per cent. of the capital which gives a substantial margin over the 11 per cent. dividend. Following gives comparative figures since 1912:

Year	Paid-up Capital	Profits	Div.	% Pro. Cap.	% Earn. *Rate
1912	$600,000	$76,103	9	12.6	6.5
1913	600,000	77,425	10	12.9	6.2
1914	600,000	76,939	10	12.8	6.0
1915	600,000	79,280	10	13.2	6.6
1916	600,000	81,229	10	13.5	6.3
1917	600,000	84,024	11	14.0	6.3
1918	600,000	85,963	11	14.3	6.4

*Per cent. of capital, reserve and balance at credit of profit and loss.

LONDON LOAN HAD MARKED RECOVERY

Profits Were Ahead of 1916 After a Severe Slump Last Year

A marked recovery in the affairs of the London Loan and Savings Company after a poor year in 1917 is indicated in the annual statement for 1918. The amounts are presented in a somewhat different form and THE FINANCIAL POST analyzes the profit and loss accounts as showing net profits after paying charges for management at $84,320 as compared with $36,129 for 1917 and $81,326 for 1916. In 1917 income of $129,447 was shown prior to meeting charges. After the payment of dividends, bonus and patriotic contributions the sum of $20,000 was transferred to reserve, which now stands at $360,000, compared with a paid up capital of $887,849, while the surplus was increased from $1,925 to $2,385. Following are comparative figures for the past three years:

	1918	1917	1916
Bal. forward	$ 1,925	$29,894	$ 1,690
Profits	84,320	36,129	81,326
	$86,245	$66,023	$83,016
Distribution:—			
Dividend	$53,260	$53,198	$53,022
Bonus	10,200	10,200	.....
Patriotic	400	700	100
Reserve	20,000	.....	.....
Balance	2,385	1,925	29,894
	$86,245	$66,023	$83,016

Earnings of 9.5 per cent. on capital and 6.8 per cent. on investment were shown as compared with 4.0 per cent. and 2.0 per cent. respectively for 1917. Following are features of the company's earnings record for seven years:

Year	Paid-up Capital	*Profits	Div.	% †Pro. Av. Cap.	Earn. Rate.
1918	$887,849	$83,920	6+1	9.5	6.8
1917	887,398	35,429	6+1	4.0	2.0
1916	884,283	81,226	6	9.3	6.7
1915	882,889	117,817	6+1¼	13.5	10.0
1914	857,224	101,699	6+1	11.8	9.1
1913	839,227	97,552	6	12.4	9.6
1912	740,866	74,052	6	10.[illegible]	8.0

*Patriotic fund deducted.

†Av. capital, reserve and balance at beginning of year.

The balance sheet shows little change in total assets at $2,932,698 as compared with $2,968,987 for the previous year. Mortgage and other investments declined from $2,723,339 to $2,476,715, being a reflection of the general conditions prevailing in the loaning field, but there is a new item of $186,596 for Government bonds, indicating the manner in which the company placed its funds to advantage; there was a decrease of about $24,000 in cash. On the other side debentures outstanding decreased from $1,100,144 to $980,677, while deposits increased from $609,653 to $671,824.

New Issue

$7,300,000

Five-year—6½% Secured Gold Bonds

OF THE

MONTREAL TRAMWAYS AND POWER COMPANY, LIMITED

(Controlling by stock ownership the Montreal Tramways Company)

Dated 1st March 1919 **Due 1st March 1924**

Principal and interest payable in gold coin at the option of the bearer (or of the registered holder) at :—

The Merchants Bank of Canada, Montreal.
Banque d'Hochelaga, Montréal.
The Agency of the Merchants Bank of Canada in New York, U.S.A.

The first interest coupon will be for two months, and will mature on the first of May 1919. Thereafter the interest coupons will mature half-yearly on the first of November and first of May respectively, but the last coupon will be for four months interest, from the first of November 1923 to the first of March 1924, when the principal will become due and payable.

DENOMINATIONS :—$100.—$500. and $1000.

REGISTRATION :—Bonds may be registered as to principal, free of charge, at the office of the Montreal Trust Company, Montreal.

Bonds are subject to redemption in whole or in part, at 101 and interest, upon 30 days notice, on 1st of November 1921 and on any subsequent interest date.

TRUSTEE :—THE MONTREAL TRUST COMPANY, Montreal.

Legality :—Messrs Brown, Montgomery & McMichael and Messrs Béique & Béique, Solicitors, Montreal, have passed upon the legality of this issue.

Trust Deeds have been passed before Me R. Faribault, N.P., Montreal.

SECURITY :—These Bonds are secured by pledge to the Trustee of :—

(a) $7,000,000. fully paid 5% Debenture Stock of the Montreal Tramways Company;
(b) $2,500,000. Five-year 6% Gold Bonds of the Montreal Tramways & Power Company, Limited, which in turn are secured by a Trust Deed pledging $2,100,000. fully paid ordinary stock of the Montreal Tramways Company.

The total issue of ordinary stock of the Montreal Tramways Company amounts to $4,000,000.—and the pledging of $2,100,000. of this ordinary stock places in the hands of the Trustee, as security for the holders of these bonds, the control of the Montreal Tramway Company. The Trust Deed further provides that in case of an increase in the capital stock of the said company, sufficient stock shall be pledged to the Trustee to maintain absolute control of the company in its hands.

MONTREAL TRAMWAYS COMPANY'S FRANCHISE :—Under date of 28th January 1918, a contract was entered into between the City of Montreal and the Montreal Tramways Company, which was subsequently ratified by the Legislature of the Province of Quebec (8 Geo. V, ch. 84). Under the terms of this contract, which is to cover a period of thirty-five years, the gross earnings of the Montreal Tramways Company are appropriated in the following order of precedence :—

1. The operating Expenses;
2. The creation of a maintenance and renewal fund of at least $500,000.;
3. An annual return to the Company of $2,177,177.10 being 6% on $36,286,285. which is the capital value of its assets as determined by the contract. The Company is also entitled to 6% interest per annum on all capital provided for betterments, additions to and extensions of plant required by the contract, in addition to an annual sum of $181,431.47 to cover expenses for future financing;
4. A payment to the City of Montreal of $500,000. per annum to represent the rental of the streets of the City to the Company;
5. The creation of a "Contingent Reserve Fund" of $500,000. to be available for certain specific purposes;
6. The balance of Gross profits after providing for the above, are to be distributed:—

20% to the Company ;
30% to the City of Montreal ;
50% to a "Tolls Reduction Fund".

This sum of $2,177,177.10 is more than sufficient to pay all the fixed charges of the Montreal Tramways Company on its outstanding Bonds, Debenture Stock and a dividend of 10% on its Common Stock. The Contract further provides that in the event of the now current fare being inadequate to cover the requirements of items 1, 2, 3, 4 and 5, the Tramways Commission shall raise the fares so that the gross revenue shall be sufficient to meet the said requirements. Per-contra provision is also made that in the event of the existing fares producing more than is required for all the above purposes then the travelling public shall get the benefit by a reduction of the current tolls.

The system of the Montreal Tramways Company is recognized as being one of the most efficiently managed and maintained tramways systems on the Continent, and, while it is already doing a very large business it is able to handle a very largely increased traffic without much additional expenditure, — as its density of travel per car mile is very low.

Considering the terms of the contract with the City of Montreal, which terms are being carried out by an independent Commission, it will be seen that the income on these securities is practically guaranteed and assured by a steadily growing population, now about 750,000. who in the City and Island of Montreal are patrons of the Tramways system.

We consider these Bonds a safe and profitable investment.

Price : Par and Accrued Interest

The Bonds will be ready for delivery on the first of March 1919

For further particulars and application forms, apply to

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INVESTMENT BANKER
160 St. James St., Montreal.
(ESTABLISHED 1901)

VERSAILLES, VIDRICAIRE, BOULAIS, Limited
MONTREAL 90 St. James St.
QUEBEC 198 St. John St.

HANSON BROS
INVESTMENT BANKERS
164 St. James St., Montreal.
(ESTABLISHED 1883)

L. G. BEAUBIEN & CO
Members Montreal Stock Exchange
MONTREAL 50 Notre-Dame W.
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THE MONTREAL SECURITIES CORPORATION, Limited
"DOMINION EXPRESS" BLDG. MONTREAL

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FINANCIAL AGENTS
99 St. James St., Montreal.

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FINANCIAL AGENTS
112 St. James St., Montreal.

AND TO ALL BRANCHES OF THE
BANQUE D'HOCHELAGA
ACTING ON BEHALF OF THE MEMBERS OF THE UNDERWRITING SYNDICATE.

February 15, 1919.

MAIN PRINCIPLES FOR SOLUTION U.S. RAILS PROBLEM

Paul Warburg Before New York State Chamber of Commerce

LOOKING TO FUTURE

Argument That Government Operation Must be Avoided —Would Pollute Political and Social Life

By PAUL WARBURG

An Address to the New York State Chamber of Commerce

The railroad problem of to-day, in many respects, is very analogous to that of banking in 1908, and it may be profitable for us to ask ourselves whether the solution then found and the course then pursued do not offer a valuable cue in our present search. It is from this angle that I am venturing to approach the subject.

The railroad problem presents itself in three forms: Private ownership without Government control; Government ownership and operation, and private ownership and operation under Government control. Objections to the first two follow:

Unrestricted private operation must be dismissed as being incompatible with the public interest.

Government operation must be avoided:

1st—Because it is bound to pollute our political and social life.

2nd—Because it makes for stagnation and inefficiency; it would mean unprogressive and costly operation, resulting in poor service to the public and high rates.

3rd—Because experience in foreign countries shows that the saving to be derived from the use of the Government's credit is not likely to be sufficient to make up for the loss resulting from the higher cost of Government operation, while the excessive use of the Government's credit is hurtful to its standing and bound to increase the rate at which it generally borrows.

Such advantages as the greater unification of operation produced under the U.S. Railroad Administration can be secured by proper amendment of the Sherman Act and the grant of a Federal franchise without subjecting the country to the dangers and disadvantages of governing operation.

The Plan in Detail

Let us assume, then, that approximately 6 per cent. on the federal valuation shall be adopted as the normal fair and adequate return and serve as the general basis in guiding the rate-making bodies, and that any railroad agreeing to accept a "federal valuation" (the right being reserved to the railroad, in case of disagreement with the Valuation Board, to accept the federal valuation only as tentative and to appeal to the courts for a final valuation), shall be guaranteed a net return of, say, at least 4½ per cent. on the amount determined by such "federal valuation"; that on the other hand the railroads will agree to divide with the Government, and possibly with labor, any earning in excess of, say, 6 per cent. on said valuation, while any excess beyond, say, 7 per cent., shall go to the Government in its entirety. Let us suppose that any railroad signing such an agreement shall be permitted to apply for a federal franchise, freeing it from the restrictions of the Sherman Act with respect to the acquisition of parallel and competing lines, pooling, etc., which it may carry on under the supervision of a federal regulating body having exclusive control of interstate rates and issue of securities of such railroads.

In order to avoid any misunderstanding, let me make it quite clear that if the "federal valuation" of a "watered" railroad would amount to $50,000,000 the guaranteed minimum net return of 4½ per cent. available for dividends and interest payments on funded inpreciation, amortization, etc., would amount to $2,250,000, no matter whether or not the present capitalization stood at $100,000,000. Inversely, in dealing with a railroad undercapitalized at $100,000,000, the federal valuation, conceivably, might amount to $125,000,000 and the minimum of 4½ per cent. would equal 5.3125 per cent. on the existing capitalization, while 6 per cent. on the federal valuation in that case would amount to 7½ per cent. on such capitalization. The figures and percentages are arbitrary and chosen only for the purpose of illustrating that this method, if applied, would result in ultimately bringing the securities of the railroads upon a basis to which their actual intrinsic value entitles them.

Boards to Fix Rates

In order to protect the contingent liability of the Government, Regulating Boards would be likely to fix transportation rates so as to enable even the weaker roads of a section to earn more than 4½ per cent. net on their valuation. On that basis there would be ample room for the stronger roads, by energetic efforts in promoting new business or greater efficiency, to increase the net earnings accruing to their stockholders. That state guarantees do not destroy enterprise and efficiency may best be seen from the experiences of France, where the operating cost of private railroads operating under state guarantee is stated by Mr. Acworth at 58.5 per cent., while for the same year the Prussians percentage under Government operation amounted to 65 per cent., and the French percentage for Government operation above 87 per cent.

I should like to see net earnings beyond 6 per cent. divided between stockholders, Government and labor, with a fixed maximum beyond which the earnings of the stockholders shall not go. I strongly believe in the idea that capital and labor must consider themselves partners, a conception which is bound more and more to lead to the full recognition on the part of labor that, in return for the enjoyment of short hours and the highest possible wages, labor must give its maximum in work, not the minimum, in order to enable the county successfully to compete and to maintain these high standards. Where Government regulates business I strongly believe in a partnership between Government and business. It brings about a fair and constructive spirit of progressive development on the part of the regulating bodies instead of the pernicious attitude of commissions that merely seek to restrict, prosecute, punish and destroy. Any regulating body that does not perceive that it has constructive functions as well as restrictive duties is doomed to fail and to become more of a curse than a blessing.

The principles that I deem essential are that practically plenary powers of regulation must be given to the Government's regulating agencies, but that a clear and definite basis must be established upon which regulating boards will base their rates;

That this basis must have an unqualified assurance to private capital of a minimum return;

That there must be an honest and substantial chance for private capital to earn more than the minimum, so as to preserve a spirit of enterprise which should permeate the entire staff from top to bottom;

That Government should be a partner of the railroads in sharing profits up to a certain limit, while beyond that limit all profits should go to the Government;

That consolidation should be encouraged so as to bring about a smaller number of railway systems, of which the strongest existing roads would form the natural backbone, but that this unification should not go far enough to destroy a healthy and reasonable competition in efficiency, in service, and in opening new fields of enterprise;

And, finally, that preference should be given to a plan which at this time would disturb as little as possible outstanding well established and well protected railroad securities, and that would avoid to the largest possible degree the direct use of the Government's credit.

COLONIAL LOAN'S HIGHER EARNINGS

Makes Somewhat Better Showing Last Year Than During Preceding Year

A slight improvement over the showing made in 1917 is indicated by the 1918 statement of the Colonial Investment and Loan Company, Toronto. Net profits for the year after providing for fixed interest charges, cost of management, etc., were $156,133, which is a gain of $254 over the previous year and shows that the declines, which have characterized the past few years, are presumably over. Dividends at the usual 6 per cent. rate were paid; a balance of $1,198 was written off office furniture, closing the account, and the sum of $40,000 was transferred to the real estate reserve fund. These operations drew on profit and loss account to the extent of $32,433, reducing it to $27,213. Following are comparative figures for the past three years:

	1918	1917	1916
Profits	$156,133	$155,879	$167,066
Bal. forward	59,646	51,464	53,966
	$215,779	$207,343	$221,032
Distribution:—			
Dividends	$147,368	$147,296	$147,219
Real Estate	......	......	11,869
Furniture	1,198	400	480
R. E. reserve	40,000	......	10,000
Balance	27,213	59,647	51,464
	$215,779	$207,343	$221,032

Earnings showed 6.5 per cent. on the average capital and 5.6 per cent. on investment. Following is the earnings record since 1914:

Rate of Earnings.

Year.	Paid-up Capital	Profits.	Div.	% Pro. Av. Cap.	Earn. Rate.
1918	$2,456,402	$156,133	6	6.5	5.6
1917	2,455,375	155,879	6	6.5	5.5
1916	2,453,995	167,066	6	7.0	6.0
1915	2,452,868	196,923	5	8.0	7.9
1914	2,451,803	193,293	5½	7.9	6.9

There are some rather noteworthy changes in the balance sheet. The company's sterling debentures show a contraction from $502,486 to $484,416, while currency debentures are up from $56,378 to $60,471. There is a new liability of $494,236, representing a bank advance, presumably against purchases of war bonds. Paid-up capital shows an increase from $2,455,375 to $5,456,402, while the real estate revenue fund has been built up from $60,00 to $100,000.

On the other side of the account, first mortgage loans show a reduction from $1,587,132 to $1,175,511. Bonds and debentures are up from $806,828 to $1,491,417 and stocks from $184,688 to $277,437. The value of real estate is placed at $523,401, an increase of $15,000. Cash on deposit of $104,338 shows a decline of $54,000. Altogether assets have increased from $3,519,623 to $4,016,405.

TO PREVENT "KITING"

Stern Measures Are Being Considered in Minnesota.

MINNEAPOLIS—Penalty for issuing a fraudulent check of any value is likely to become a felony in Minnesota. A resolution adopted by the State County Attorneys Association at a recent meeting contemplates the introduction of a bill in the Legislature that will be remedial of the defects in the present laws relating to fraudulent use of checks.

Petty offenders under the statutes are unprofitable to any county where a conviction is obtained, the attorneys argued, because the penalty only brings a jail sentence and the prisoner is merely deprived of his liberty, putting the public at the expense of keeping him without getting any return of service.

The law at present makes it a gross misdemeanor to issue fraudulent checks under $25, but checks over that amount make the offender subject to a charge of grand larceny in the second degree. Attorneys representing the rural counties of the state were anxious to have the statutes changed because their penal institutions generally consist of jails where prisoners are merely detained and cannot be given work. If the offences were made felonies these men could be sent to the state penitentiary, it was pointed out.

NEW BROKERAGE HOUSE

D. F. McLay, who has been connected with the wholesale grocery business in Western Canada for the past eighteen years, has opened up as a broker under the style of The McLay Brokerage Co., with offices at 507 Confederation Life Building, Winnipeg. Mr. McLay is one of the best known men in the grocery trade in Western Canada. He started as a boy in the office of A. Macdonald Co., Kenora, Ont., and worked his way up. He was transferred to the Winnipeg office as head shipper, and later sent to Saskatoon as their manager.

"Wanted—A National Plan"

An article of unusual importance, by Sir George Bury, formerly vice-president of the C.P.R., appears in the February issue of MACLEAN'S. He points out that Canada must more definitely shape her destiny if that destiny is to be as glorious as all Canadians hope. It is a stirring demand for Canadians to get together in the formation of a national plan, accompanied by many practical suggestions from his experience in transcontinental railroad building. An article of national importance.

"Germany From Within To-day"

The funniest thing that he has perhaps written appears in February MACLEAN'S from the pen of Canada's great humorist, Stephen Leacock—an imaginary visit to Berlin under the Bolsheviks. He finds Von Tirpitz planning a new navy, an *inland fleet;* Frau Krupp, an apple woman; Von Bethmann-Hollweg, a cab driver; Bernstorff, a Bolshevik and president of the Scavengers Union. He finds a *Get From Under* committee planning a trade war on the world and half the population of Berlin in English clothing or Scotch kilts. He finds—

But read the article. There's a long laugh in every line. It's farce, however, built up on pretty shrewd truths.

You will find this a remarkably interesting number. The bold, fighting face of Admiral Beatty is on the cover and inside are the following big features:

The Campaign Against Britain, by Agnes C. Laut.
The Farmer in Politics, by J. K. Munro.
The Strange Adventure of the Thumb Tap Clue, by Arthur Stringer.
Old Times in Canada, by Walt Mason.
Lend Me Your Title, by Onoto Watanna.
The Three Sapphires, by W. A. Fraser.
Wild Miners I Have Met, by E. Ward Smith.
The Anglicization of Katrina, by Mary Josephine Benson.
Saturday's Child, by Mary E. Lowrey.
The Minx Goes to the Front, by C. N. and A. M. Williamson.
The Veins of the War God, by Corporal Herbert Forder.

The Best Articles From All Magazines

In the Review of Reviews department will be found reprints of the best articles selected from magazines published all the world over. Here are some of the titles:

Germany Can Fight Again.
Victory Was Three Days Off.
How Botha Saved South Africa.
Russians Awaiting the Messiah.
The New Crisis in the Balkans.
Portugal's Internal Troubles.
Bavaria Started the Revolution.
Spotting Submarines From the Air.
What is Going On in Mexico?
Racial Disturbances in South Africa.
The Story of the First "Q" Boat.
Switzerland, the Spies' Refuge.

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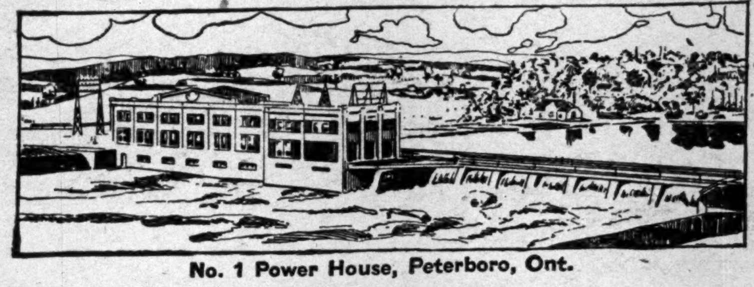
A Great Canadian Industry

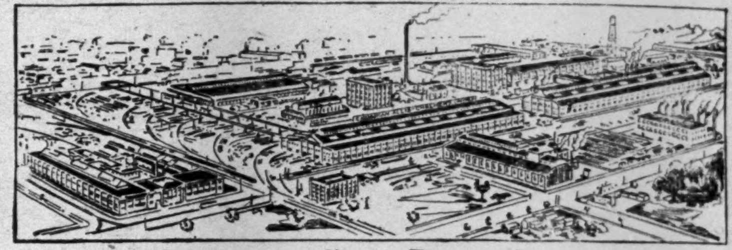
CAPITAL PAID UP - TEN MILLION DOLLARS RESERVES - OVER FOUR MILLION DOLLARS
TOTAL ASSETS - OVER TWENTY MILLION DOLLARS

Wages Paid during 1918, Over Five Million Dollars
Material Purchased 1918, Over Nine Million Dollars

MANUFACTURING PLANTS

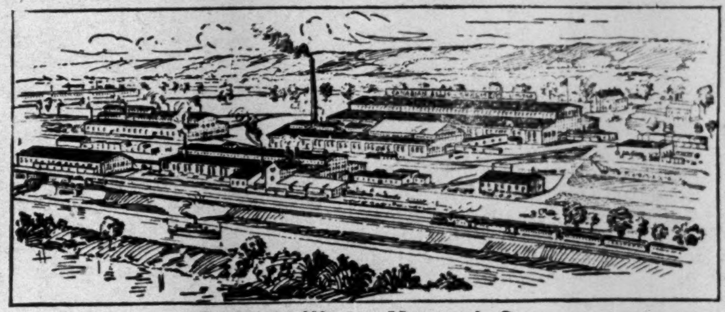
Electric Fitting and Supply Works, Toronto, Ont.

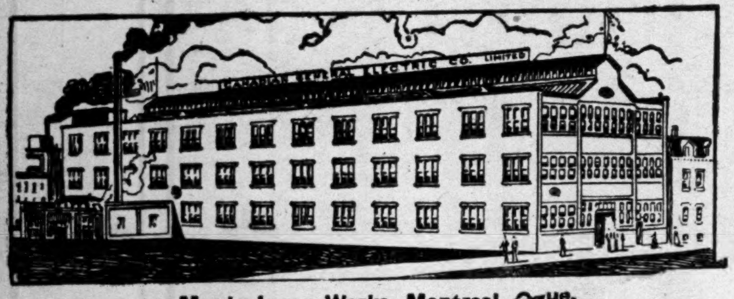

No. 1 Power House, Peterboro, Ont.


Davenport Works, Toronto, Ont.

Carbon and Mazda Lamp Works, Toronto, Ont.

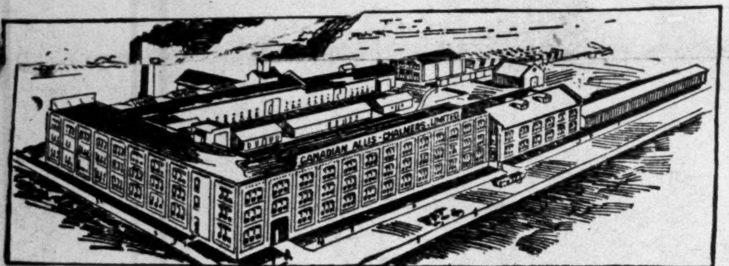
Main Electrical Works, Peterboro, Ont.


Rockfield Works, Montreal, Que.


Mazda Lamp Works, Montreal, Que.

Electrical Porcelain Works, Peterboro, Ont.

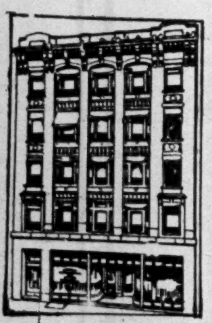
Niagara Shipyard, Bridgeburg, Ont.


Milling and Power Transmission Machinery Works, Stratford, Ont.

No. 2 Power House, Peterboro, Ont.

Architectural Bronze and Iron Works, Toronto, Ont.

OFFICES AND WAREHOUSES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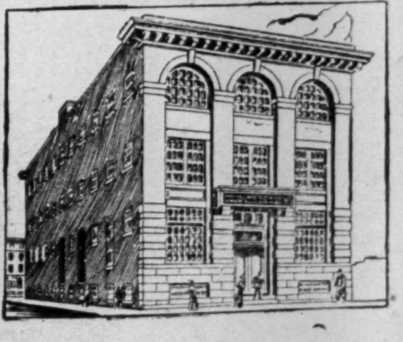
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